





REPUBLIC OF SERBIA  
Ministry of Environmental Protection

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<b>Project title: Establishing Transparency Framework for the Republic of Serbia</b>		
<b>Country:</b> Republic of Serbia	<b>Implementing Partner:</b> Ministry of Environmental Protection	<b>Management Arrangements:</b> National Implementation Modality (NIM) with UNDP Support
<b>UNDAF/Country Programme Outcome:</b> <i>Outcome 8:</i> By 2020, there are improved capacities to combat climate change and manage natural resources and communities are more resilient to the effects natural and man-made disasters		
<b>UNDP Strategic Plan 2018-2021 Outcome:</b> <i>Outcome 2:</i> Accelerate structural transformations for sustainable development <i>Signature solution 4:</i> Promote nature-based solutions for a sustainable planet		
<b>UNDP Social and Environmental Screening Category:</b> Low	<b>UNDP Gender Marker:</b> GEN-2	
<b>Atlas Project ID</b> ( <i>formerly Award ID</i> ): 00114257	<b>Atlas Output ID</b> ( <i>formerly Project ID</i> ): 00112366	
<b>UNDP-GEF PIMS ID number:</b> 6211	<b>GEF ID number:</b> 10029	
<b>Planned start date:</b> March 15, 2019	<b>Planned end date:</b> March 14, 2022	
<b>PAC meeting date:</b> 29 January 2019		
<b>Brief project description</b>		
<p>This project supports the Government of Serbia in mainstreaming and integrating climate change considerations into development strategies and sector-based policy frameworks by strengthening and sustaining efforts to monitor, report, and verify activities to address climate change. Specifically, the project will assist the Government of Serbia with strengthening the methodologies and tools necessary to enhance transparency as described in Article 13 of the Paris Agreement.</p> <p>The project will finalize and launch a monitoring, reporting, and verification (MRV) system that will provide more accurate information and analysis of the instruments that the country selects to mitigate and adapt to climate change. The MRV system will also allow Serbia to define and implement climate change-related policies and measures as expressed in its Nationally Determined Contribution (NDC) effectively.</p> <p>Furthermore, the MRV system will increase stakeholder engagement, including local governments and the private sector in a gender-inclusive manner. Finally, the project will use training and peer exchanges to strengthen capacity for transparency, which will allow the country to undertake more ambitious commitments in its NDCs over time.</p>		

FINANCING PLAN		
GEF Trust Fund		1,100,000 USD
<b>(1) Total Budget administered by UNDP</b>		<b>1,100,000 USD</b>
<b>PARALLEL CO-FINANCING</b>		
	UNDP (in-kind)	68,000 USD
	Government (in-kind)	32,000 USD
<b>(2) Total co-financing</b>		<b>100,000 USD</b>
<b>(3) Grand-Total Project Financing (1) + (2)</b>		<b>1,200,000 USD</b>
SIGNATURES		
Signature: 	Agreed by Government	Date/Month/Year:
Goran Trivan, Minister of Environmental Protection		
Signature: 	Agreed by UNDP	Date/Month/Year:
Steliana Nedera, Resident Representative <i>a.i.</i>		08/03/2019.

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## II. LIST OF ACRONYMS

<b>2BUR</b>	Second Biennial Update Report
<b>3NC</b>	Third National Communication
<b>BUR</b>	Biennial Update Report
<b>CO</b>	UNDP Country Office
<b>CCA</b>	Climate Change Adaptation
<b>CCM</b>	Climate Change Mitigation
<b>CSO</b>	Civil Society Organization
<b>CTA</b>	Chief Technical Advisor
<b>DRR</b>	Disaster Risk Reduction
<b>EA</b>	Enabling Activity
<b>ETF</b>	Enhanced Transparency Framework
<b>EU</b>	European Union
<b>EUR</b>	Euros
<b>GEF</b>	Global Environment Facility
<b>IPA</b>	(European Union) Instrument for Pre-Accession Assistance
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MMR</b>	[EU Greenhouse Gas] Monitoring Mechanism Regulation
<b>MoEP</b>	Ministry of Environmental Protection
<b>NC</b>	National Communication
<b>NIM</b>	National Implementation
<b>NGO</b>	Non-Governmental Organization
<b>PB</b>	Project Board
<b>PIR</b>	Project Implementation Review
<b>PMU</b>	Project Management Unit
<b>PPG</b>	Project Preparation Grant
<b>PSC</b>	Project Steering Committee
<b>QPR</b>	Quarterly Progress Report
<b>RCU</b>	UNDP Regional Coordination Unit
<b>RSD</b>	Serbian dinars <sup>1</sup>
<b>SEPA</b>	Serbian Environment Protection Agency
<b>TPR</b>	Tripartite Review
<b>TTR</b>	Terminal Tripartite Review
<b>UNDP</b>	United Nations Development Programme
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change

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<sup>1</sup> Exchange rate as of 20 June 2018: 102 RSD to 1 USD

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### III. DEVELOPMENT CHALLENGE

Serbia became a Party to the Paris Agreement in August 2017. Previously, Serbia submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC on June 15th, 2015 prior to the UNFCCC COP21 with a pledge to reduce its GHG emission by 9,8% from the 1990 level by 2030. Also, Serbia's INDC contains adaptation related part due to decades long negative impacts of the climate change and vulnerability of the country. This pledge/NDC will be achieved by reducing emissions in key sectors, such as energy production/consumption, agriculture, waste management, transport, and forestry.

By ratifying the Paris Climate Agreement in July 2017, Serbia's INDC became its NDC. The country now needs to enact robust climate and energy policies that will enable the implementation of its NDC pledge and allow the country to strengthen its commitments in coming years. Although it has made significant progress in establishing an effective institutional and legal framework to combat climate change, there is a need to strengthen capacity and improve information sharing among responsible and competent institutions at the national and local levels. The resulting transparency framework should create an enabling environment for decision-making regarding future objectives, targets, and priority policies and measures for mitigation and adaptation.

#### Institutional Context

The need for a transparency framework that supports measurement, reporting, and verification (MRV) of climate change data and information in the Republic of Serbia reflects policy priorities and obligation at several levels:

- At the *country level*, climate change data and information can strengthen sectoral policies and inform government investments at the national and local level.
- At the *regional level*, MRV requirements are a pre-condition for accession to the European Union, which is a national policy priority. Furthermore, Serbia has been a contracting party of the European Energy Community since 2006, which has issued reporting requirements on GHG emissions for its members in the form of the Monitoring Mechanism Regulation (MMR).<sup>2</sup>
- At the *global level*, these needs result from its commitments as a party to the UNFCCC and a signatory of the Paris Agreement (particularly Article 13: "Transparency Framework for Action and Support"), but they also reflect commitments the country has made in other UN agreements, such as the Sendai Framework for Disaster Risk Reduction and monitoring progress towards targets under the Sustainable Development Goal on climate change (SDG 13).

In the Republic of Serbia, NDC implementation and tracking and reporting requirements for actions contributing to GHG mitigation and efficient adaptation will be defined by the Law on Climate Change. A draft of this law has been prepared and will be approved by the end of 2018. It introduces the obligation for monitoring and reporting on development and implementation of the mitigation and adaptation measures, low carbon development strategies and action plan as well as the national adaptation plan. According to the law, the Ministry of Environmental Protection (MoEP) serves as the lead ministry on climate change issues, while the Serbian Environmental Protection Agency (SEPA) is responsible for the development of a national GHG inventory. SEPA is also responsible for the implementation of quality control procedures in order to ensure transparency, accuracy, completeness and consistency of input data, emission factors and other parameters, as well as for calculation of GHG emissions in accordance with its QA/QC plan.

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<sup>2</sup> The MMR, which is implemented in EU member states, is a legal act that regulates monitoring and reporting on all anthropogenic greenhouse gas emissions defined under the Kyoto Protocol. The MMR represents a legal framework for the creation of policies and measures with appropriate projections, fulfillment of obligations towards UNFCCC regarding national programs, greenhouse gas inventories, national systems and registries of EU member states and the EU itself.

Serbia has also committed to making progress on the Sustainable Development Goals, and it has also committed to voluntary reporting on these goals. SDG 13, the goal related to climate change, has several targets against which countries measure their progress, such as GHG emissions relative to 1990 and GHG intensity of energy consumption (the latter is also reported under SDG 7: Sustainable and Clean Energy). Furthermore, as the EU reports as a whole on its progress towards the SDGs, countries are expected to submit their progress against climate change indicators to the European Environment Agency. In Serbia, the Minister without portfolio in charge for demography and population affairs coordinates reporting on the SDGs, while the Ministry of Foreign Affairs provides technical support for the process, and other government ministries participate in the Inter-ministerial Working Group on SDG Implementation. MoEP is included in monitoring SDG 13 as the main government institution in charge of climate change.

Finally, Serbia intends to include references to disaster risk reduction in its transparency framework. There is an ongoing effort to build synergy between the legal and regulatory frameworks in the area of climate change and disaster risk reduction. The National System for Disaster Risk Management is still being developed. The National Disaster Risk Management Strategy as well as the National Disaster Risk Reduction Programme and its accompanying Action Plan currently regulate DRR activities, although a new Law on Disaster Risk Reduction and Emergency Management is pending adoption. There are several clear areas where DRR and climate change adaptation can benefit from alignment and cooperation, such as institutional collaboration, data collection and exchange, and the implementation of DRR measures in the context of climate change. Serbia is determined to align the obligations arising from Sendai Framework for Action with its Paris Agreement commitments. However, further integration and joint implementation of climate change-related policies and measures with DRR is needed.

### **Present state of the Enhanced Transparency Framework (ETF)**

The current transparency framework in Serbia is mainly related to the preparation of the national communications and biennial update reports to the UNFCCC. The Republic of Serbia, as a party to the UNFCCC since 2001 and a non-Annex 1 party to the Kyoto Protocol, is obliged to submit national communications and biennial update reports to the UNFCCC on a regular basis. The country's Second National Communication was submitted in October 2017, while its First Biennial Update Report was submitted in early 2016. Both documents updated and improved of GHG inventories (for the period 1990 – 2014) by filling in data gaps and reducing the uncertainties encountered in the previous inventories. National capacities increased to the point where it was possible to apply the 2006 IPCC Guidelines for National Greenhouse Gas Inventories; provide initial recommendations on how to set up and operationalize a national MRV system; and update existing and propose new programmatic mitigation measures for abating GHG emissions in key economic sectors (energy, industry and industrial processes, AFOLU, and waste management). Mitigation scenarios were provided within the first BUR up to the year 2020, and in the second NC up to the years 2025 and 2030. In addition, existing climate scenarios were updated, and policy and programmatic measures for climate change adaptation in the most vulnerable sectors were proposed (agriculture, forestry, water, health, biodiversity and tourism). Information regarding the constraints, gaps and related financial, technical and capacity building needs were also updated.

Building on the previously prepared national communications and biennial update reports as well as lesson learned, Serbia will submit its Second Biennial Update Report (2BUR) and Third National Communication (3NC) to the UNFCCC in 2019 and 2021, respectively. It has received support from the GEF for the compilation of these reports. Apart from the reports themselves, one of the most important outputs of the GEF-funded project will be improved capacity and increased linkages in relevant institutions and agencies. Serbia submitted its NDC to the UNFCCC on June 15th, 2015 prior to the UNFCCC COP21 with a pledge to reduce its GHG emissions by 9.8% from 1990 levels by 2030. The NDC recognized agriculture, forestry, hydrology, human health and biodiversity as the sectors most vulnerable to the adverse effects of climate change. The GHGs included under the NDC were as follows: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>. The NDC states that the National Climate Change Strategy will further define precise activities, methods and implementation deadlines, while it also states that Serbia remains committed to the Copenhagen Accord. Its further ambitions will be guided by Serbia's EU accession process through harmonization of national with EU legislation, making an additional contribution to national emission reduction efforts through that process. In May 2018, the European Union together with MoEP convened a joint EU-Serbia Talanoa event in Belgrade. EU-supported project activities are described in Section V of this document.

### ***Framework for Transparency of Action: Progress Towards NDCs***

The MRV system in Serbia still requires investment for its completion, in particular from the perspective of going beyond the GHG inventory and providing a tool for effective monitoring of climate change mitigation measures and policies, as well as for planning and upgrading the NDC. In the context of the Paris Agreement and its mandate for efforts to represent a progression over time, there is also a need for a continuous process of development of emissions projections as a tool to support long-term planning. For this purpose, there is a need to build technical and institutional capacities of the line ministry for climate change, the Ministry of Environmental Protection, as well as other key specialized agencies (such as the Hydromet Service of Serbia), to provide GHG emissions projections and associated socio-economic analyses. Robust projections would constitute an important tool for tracking progress of Serbia's mitigation efforts and planning of mitigation policies. Further, they could be used to assist in the identification of support needs for implementing mitigation efforts. Therefore, CBIT support will be focused on building capacities of government entities and stakeholders regarding emissions projections and long-term planning as tools for GHG emissions reduction. Previously conducted and ongoing projects of relevance to this particular component are described in Section V of this document.

### ***Framework for Transparency of Action: Adaptation***

By ratifying the Paris Agreement, it has become clear that effective monitoring and evaluation of climate change adaptation measures will be required for the implementation of the adaptation component of the NDCs. Vulnerability assessment and adaptation chapter under the previous NCs for Serbia was focused on agriculture, forestry, health, water management and biodiversity - the most vulnerable sectors with the need of adaptation measures. Along with vulnerability assessment, analysis for the identification of prior adaptation measures has been conducted. These adaptation measures included: technology transfers from abroad (especially in agriculture sector); facilitating rehabilitation of windbreaks; rehabilitation of irrigation systems within identified areas (improving integrated water management systems (supply-demand); improving system for forecasting land productivity and climate change impacts by creating of soil information (data) bank; reduce flood risks by promoting riverbank protection measures; develop effective monitoring and early warning systems; defining measures for improved protection from extreme weather events; preventing plant diseases through selection of optimal methods; raising awareness of population and local governments; implementation of monitoring system on diseases in forestry sector; restoration of degraded lands.

At the moment, Serbia is also developing a proposal for the GCF Readiness and Preparatory Support Programme for the development of its National Climate Change Adaptation Plan. The NAP will work as a policy instrument to achieve the adaptation objectives of the future Climate Change Strategy for Serbia (currently being drafted) and thus to implement the NDC, considering the priority sectors. While the future NAP process will contribute to vulnerability assessment and adaptation planning in most important economic sectors (such as agriculture, forestry, water management, energy, construction and transport), there is a clear lack of a system in place to monitor and evaluate concrete adaptation actions, assess how they contribute to achieving the objectives in the NAP and ensure that all this information is accessible at the national level. The CBIT support will be used to create an effective monitoring and evaluation mechanism (as integral component of the MRV system) for adaptation actions in the key sectors that are also identified as priorities under the GCF-NAP proposal. This "registry of national adaptation actions" will be constantly maintained and improved within subsequent NDCs. The registry of national adaptation actions will also be linked to the disaster risk registries and National Disaster Risk Reduction Platform to be established under the new DRR legal framework currently being drafted in Serbia. In this way, such synergy between the registries and platforms will provide basis for reduction of vulnerability and increased resilience of population and communities. Such synergy will also provide starting point for much more effective and coordinated approach to local climate change and disaster risk reduction assessments and planning. Overall administration of the registry will be tasked to the Ministry of Environmental Protection, while strong coordination will be established with other competent institutions, specialized agencies, in particular with the Sector for Emergency situations, Hydromet Service of Serbia, Ministry of Agriculture, Forestry and Water Management and Public Investments Management Office.

## **Framework for Transparency of Support**

As noted within the Second National Communication of Serbia to the UNFCCC, there is no effective tracking system of financing and implementation of the proposed climate change mitigation and adaptation measures. One of the examples also refer to the NAMA projects of Serbia that have been identified in 2013 and still with no adequate monitoring system for tracking the investments nor the level of implementation of the projects identified. The only record of investments is related to regular reporting to the Ministry of Finance of all state institutions on all conducted activities, but with no particular track of climate change related investments or financing. For this reason, it is almost impossible to determine the exact gap in financing and it makes it even more difficult to plan the investment and financial needs. This easily leads to double counting and overlapping of investments and financing for projects. It is even more difficult to track private sector investments in the area of climate change mitigation and adaptation or if investments are related in some way to climate change policy implementation (at the national and local levels), in particular if they are not related to public sector co-financing or public-private partnerships. For this reason, the effective MRV system for NDC will have to include a component for tracking overall or sectoral costs of addressing climate change, and more concretely of implementing the NDC, in order to assess the situation and to increase the ambition. Also, such tracking system that would incorporate both, public and private investments, will improve the quality of the data and information collected for the purpose of UNFCCC reporting, but also for the purpose of reporting and compliance with the EU acquis. In fact, such system is very much needed for the purpose of effective utilization of the EU assistance and funds.

As MoEP has re-established the National Environmental Fund, an effective public and private investment/financing tracking tool would also facilitate effective distribution of resources of the fund. While there are also a number of investments in the DRR field, these investments are seldom recognized as climate change-related. For this reason, an effective tracking tool will also have to include investments for DRR purposes. This aspect of the tracking tool would require the involvement of other institutions of relevance, such as Public Investment Management Office and Emergency Sector of the Ministry of Interior. Particular guidelines and methodologies for the assessment of investments and costs as well as for the identification of financing gaps, will be developed for different sectors and competent institutions at all levels of governance (central and local). This would facilitate different cost-benefit analyses and estimation of damages and losses caused by the climate change and will provide inputs for defining future NDCs and related climate change mitigation and adaptation measures.

## **Capacity Gaps and Needs in Transparency**

The cause of capacity gaps in transparency in the Republic of Serbia is threefold:

- 1) *Organizations lack a clear legal and regulatory mandate for transparency activities.* This capacity gap impacts inter-agency coordination, funding, and streamlining of roles in data collection, analysis, and reporting. Fortunately, current and planned legislative and regulatory initiatives being undertaken by the Government of Serbia, particularly with EU support, are expected to make significant progress in addressing the lack of a clear legal and regulatory mandate for transparency activities.
- 2) *Organizations lack the staff needed to undertake comprehensive planning and tracking activities.* Both MoEP and SEPA have identified a lack of staff for MRV activities as a significant barrier, as have supporting organizations that provide data to systems such as GHG inventories. Lack of staff have also hindered efforts to downscale grid data and to generate GHG scenarios. Independent assessments have identified the need for additional staff at MoEP (4 to implement the MMR), SEPA (3 for GHG inventories), and the Forestry Directorate (2 for GHG inventories) to fulfill the climate change acquis and to carry out tasks mandated by national legislation and policies.
- 3) *Organizations and their staff lack specific information systems (both hardware and software) and methodological tools necessary to carry out transparency activities effectively.* For example, there is a lack of capacity to make adequate socio-economic assessment/ models, to identify climate-related financing, and to report on financial-related issues. There is also an evident need for methodologies, guidelines and tools for assessing climate impacts in different sectors, for cost analyses, loss and damage assessments



and for reporting, information and data exchange. This lack of capacity has created strong dependency on international and external consultants, which impacts the sustainability of the entire national system.

These findings are also supported by recommendations arising out of the “Technical analysis of the first biennial update report of Serbia” conducted by the UNFCCC Secretariat, that also represent starting point for the work on enhanced transparency framework. The CBIT project will assist in building the capacities of relevant institutions to respond to its recommendations covering emission factors and line institution capacities to report on complex areas, such as LULUCF.

Table 1 provides an overview of the capacity needs identified in the scope of this project and describes the corresponding project components that have been designed to address them.

*Table 1: Capacity Needs and Corresponding Activities to Address Them*

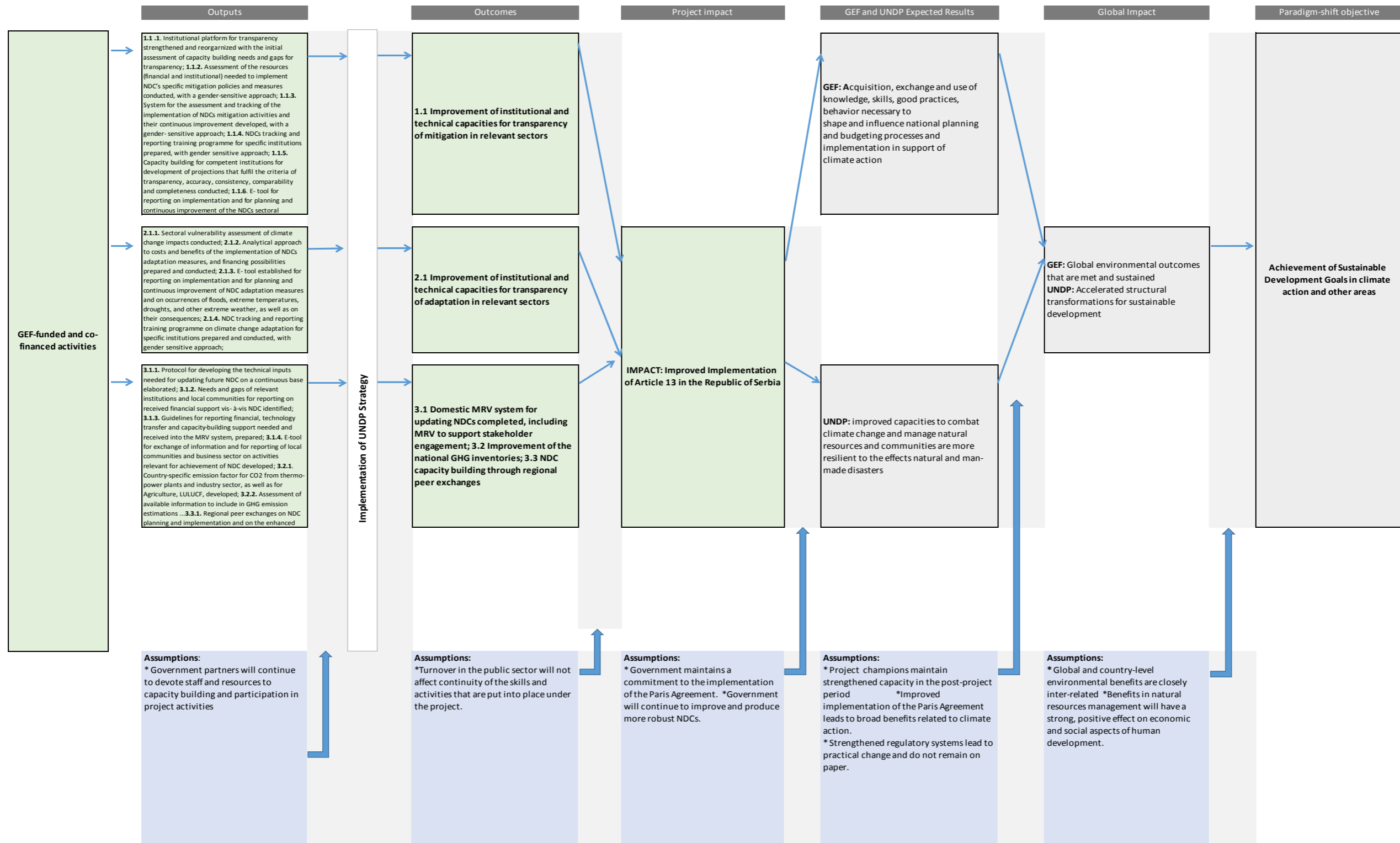
Capacity Needs Identified	Type of Capacity	Level of Intervention	How Addressed
<ul style="list-style-type: none"> <li>*Need to coordinate implementation of sectoral DRR/CCA measures</li> <li>*Need transparency system to address mitigation and adaptation actions</li> <li>*Need to increase alignment with other strategic national policies and programs</li> </ul>	Strategic	Institutional	Component 1: Institutional platform Component 2: Alignment of NDC tracking with DRR tracking and work of sectoral agencies; training on nexus approach to CCM and CCA
<ul style="list-style-type: none"> <li>*Need ability to plan and track progress on GHG mitigation and adaptation policies and measures</li> <li>*Need effective M&amp;E of CCA measures</li> <li>*Need to define indicators for progress in CCA</li> </ul>	Monitoring  (information systems, data flow, tracking and monitoring)	Institutional/ Organizational	Component 1: Institutional platform; capacity building for institutions Component 2: Tracking and training program for CCA institutions Components 1-3: E-tools for MRV and supporting training programs
<ul style="list-style-type: none"> <li>*Need MRV system for NDC that will allow Serbia to increase sectoral ambitions</li> <li>*Need transparency system to address climate finance and track private-sector CC investments</li> <li>*Need to improve monitoring and information on tech transfer, capacity gaps, support received</li> <li>*Need to track DRR expenditures</li> </ul>		Organizational	Components 1-3: E-tools for MRV and supporting training for NDC tracking Component 2: DRR tracking element of E-tool Component 3: Guidelines for MRV of Capacity Gaps and Support Received
<ul style="list-style-type: none"> <li>*Need ability to communicate progress towards the NDC to stakeholders</li> <li>*Need to report needs and gaps</li> <li>*Need to increase reporting compliance of municipalities</li> </ul>	Reporting		Component 1: Institutional platform; assessment of resources needed for the NDC Component 2: E-tool for NDC adaptation measures Component 3: E-tool for reporting for municipalities and private sector
<ul style="list-style-type: none"> <li>*Need to include women and vulnerable groups in adaptation planning and assessment</li> <li>*Need to plan CC-related investment needs</li> </ul>	Planning Skills		Component 1: assessment of resources needed for the NDC Component 2: NDC training program on CCA with gender-sensitive approach
<ul style="list-style-type: none"> <li>*Need capacity to prepare strategies and action plans (or design CC policies and measures) using in-country expertise and identify climate financing sources</li> </ul>	Management	Organizational	Component 1: E-tool for sectoral mitigation activities; capacity building for institutions; assessment of financial needs for NDC

Capacity Needs Identified	Type of Capacity	Level of Intervention	How Addressed
<ul style="list-style-type: none"> <li>*Need to further develop adaptation component of NDC</li> <li>*Need to integrate interventions identified by BURs, NCs into policies and measures and into the NDC</li> <li>*Need to develop capacity of line institutions responsible for DRR</li> </ul>			Component 2: Sectoral vulnerability analysis and cost-benefit analysis; identification of financing possibilities for CCA measures
<ul style="list-style-type: none"> <li>*Need capacity to use a nexus approach in assessing CCM and CCA policies/measures</li> <li>*Need capacity to generate socio-economic assessments and models (related to CC policies and measures)</li> <li>*Need methodologies, tools, and guidelines for impact assessment and loss &amp; damage</li> <li>*Need for country-specific emission factors, reference and sectoral approaches in GHG inventories, in-country GHG projections and socio-economic analyses</li> <li>*Need to estimate needs and gaps and quantify the climate finance gap</li> </ul>	Analytical Tools	Individual	Component 1: Assessment of financial needs for NDC Component 2: Impact assessments, damage & loss assessments; training on nexus approach to CCM and CCA Component 3: Modeling and forecasting for the NDC; country-specific emission factors; reference and sector approaches for the GHG inventory; guidelines for MRV of Capacity Gaps and Support Received

Currently, the lack of a comprehensive transparency system has shown to be an impediment for informed decision and policy making. For example, the process of formulating the first NDC was based on assistance received through the NC and BUR preparation projects. Since this was mainly external-expert-based process, there was no significant increase of capacities of relevant state institutions, namely the Ministry in charge of environmental protection and climate change. Also, some of the ongoing projects, such as the EU-funded project for development of a Climate Change Strategy and Action Plan, are again based on external expert assistance. Such projects do not have a capacity building component that ensures appropriate tools and capacities of relevant state institutions (such as the Ministry of Environmental Protection, but also other competent institutions in charge of agriculture, energy, construction etc.) especially for supporting long-term policies, for example macroeconomic or sectorial models to test different scenarios.

As it is expected that the operational documents for the Paris Agreement will be adopted at the forthcoming CoP24 in Poland in 2018, subsequent NDCs will need to be prepared by the parties, and they will need to be implemented and tracked. For this reason, countries will need to establish and manage sustainable and well-functioning national transparency system, including nationwide, but also at the local level and for other stakeholders, such as businesses, academia and CSOs. It will be needed not only to communicate progress to the international community to fulfill the commitments under the Paris Agreement, but also to better design policies and measures to frame mitigation and adaptation actions (including in the disaster risk reduction context) while ensuring the social and economic development of the country. In order to fulfill the requirements of the Paris Agreement and to ensure sustainability of the economy in the country, capacity building of individuals and institutions for strategic and long-term planning and decision-making is needed.

IV. STRATEGY



In line with UNDAF (2016-2020) Outcome 8: “By 2020, there are improved capacities to combat climate change and manage natural resources and communities are more resilient to the effects natural and man-made disasters” and CPD<sup>3</sup> (2016-2020) UNDP will continue to strengthen the capacity of Ministry of Environmental Protection and other government structures to formulate and implement climate change mitigation and adaptation policies and measures and to monitor and report under international treaties. This will be closely coordinated with the work to advance disaster risk identification, mitigation and preparedness. For better program results, the country office will use the UNDP strategic plan, 2018-2021<sup>4</sup>, design parameters, engaging closely with beneficiaries, and focusing on scalability and sustainability of results. Partnerships with United Nations organizations, international organizations, private sector, academia and civil society, are essential vehicles for delivering results in all program areas.

Because the implementation of the SDGs should be conducted at the national level, and national reports under the international climate regime can be a valuable source of information for the implementation of SDG 13 and accompanying targets, UNDP will support the Government of Serbia in the implementation of the climate change SDG within this particular project as well. Information on the transparency of action and support may be useful in determining the degree of the integration of climate change measures into national policies, strategies and planning (target 13.2).

## **Project Rationale**

With the support of this project, the country will strengthen its capacities regarding methodologies and tools to enhance transparency, as outlined in Article 13 of the Paris Agreement. Based on this project, Serbia will complete and enact its MRV system, which will improve Serbia’s ability to effectively define and implement climate change related policies and measures while incorporating a gender-sensitive approach. On the other side, the effective MRV system will enable more accurate information, monitoring and assessment of the instruments that the country selects to face climate change. It is expected that with support of the project, Serbia will be able to establish a system in which it can increase its climate-related ambitions as expressed in the NDCs over time, as well as to improve its institutional capacities, and awareness and knowledge of different stakeholders and general population in a way that will allow it to achieve these ambitions. The project will also assist the country to integrate the local level of governance better into the process of NDC preparation and implementation. This integration will lead eventually to planning and decision-making that is based on real needs and on a participatory approach.

In order to build and strengthen capacities in national institutions to enhance transparency, the project is structured in three components, which have related outcomes to reach the objective of the project:

1. Strengthening national transparency capacities for tracking NDC progress from mitigation activities
2. Strengthening national transparency capacities for NDC tracking and reporting on vulnerability and adaptation
3. Developing an MRV system for the NDCs, including financing for institutions, local communities and businesses

All three components of the project are focused at development of tools, training and assistance for meeting the provisions stipulated in Article 13 of the Paris Agreement. Components will contribute to the design and establishment of a domestic MRV system for climate change mitigation and adaptation measures, financing, capacity building and transfer of technologies.

Both components will build upon the MRV related achievements and outputs of the EU funded projects (namely, the EU IPA 2013 funded project “Establishment of a mechanism for implementation of MMR”) as well as the MRV part of the Second Biennial Update Report for the Republic of Serbia. The CBIT supported MRV activities will focus on building a comprehensive tool for monitoring, reporting and evaluation of undertaken climate change mitigation and adaptation policy measures, while also ensuring mechanism for continuous inputs into short, medium and long-term planning.

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<sup>3</sup> [http://www.rs.undp.org/content/dam/serbia/docs/Operations/Legal%20Framework/UNDP\\_SRB\\_CPD\\_2016-2020.pdf](http://www.rs.undp.org/content/dam/serbia/docs/Operations/Legal%20Framework/UNDP_SRB_CPD_2016-2020.pdf)

<sup>4</sup> <http://strategicplan.undp.org/>

## **Country Ownership**

The Government of Serbia and the various national stakeholders are very motivated to support and implement the project, as climate change issues are becoming more prominent in various sectors. The Project will be managed by UNDP and the MoEP through a Project Implementation Unit (PIU) and guided by the Project Board (PB), consisting of key national governmental and non-governmental agencies, and appropriate local level representatives (see further in Section 4). Through its Department for Climate Change in environment, the MoEP will perform a leadership and coordination role for the Project acting in coordination with the other key stakeholders, which include relevant sectorial Ministries (Energy, Infrastructure, Transport, Regional Development, Trade and Interior Affairs), the Serbian Environmental Protection Agency (SEPA), the Hydrometeorological Service of the Republic of Serbia, research and scientific institutions, institutes, companies, civil society organizations and other stakeholders that may be included in the Project through the Project's participatory approach.

The Ministry of Environmental Protection, which is also the institutional UNFCCC focal point, will have main coordination role regarding implementation of the project, leading stakeholder consultations and making sure that adequate resources are delegated to the project and results are verified and approved.

Moreover, in 2014 the National Climate Change Committee was established to improve coordination and monitor development and implementation of national and sectoral policies on climate change. Members of the Committee are high-level representatives of all relevant ministries and governmental institutions, as well as, universities and scientific institutions. The integration of the different sectors has the effect of strengthening the country ownership of the project and supporting the consolidation of the institutional and technical capacity of a broad range of stakeholders, while the National Climate Change Committee will serve as an advisory council to the Government.

This Committee will be main national advisory forum for key decision-making processes of relevance to the project implementation, facilitating stakeholder consultations process, resolving any outstanding issues of concern and final verification of project results. It will also ensure strong and high-level commitment of the key national institutions to the implementation of the domestic MRV system that will be completed under the project.

## **Knowledge Management**

The primary national coordination body for climate change policy in Serbia is National Climate Change Council comprised of all relevant stakeholders. This body will represent an essence of "Institutional platform for transparency" mechanism, while the Ministry of Environmental Protection will be tasked to coordinate the project and implement and manage the national transparency system, in the capacity of an ad-hoc secretariat of the National Climate Change Council. In order to establish effective transparency system, a number of awareness raising, and training materials will be developed with a special focus on capacity building for particular target groups (such as decision makers, CSOs, business community, research-scientific sector, as well as for the wider public). During the design and consolidation of a national transparency system, project will explore the existing information and data tracking/management systems in particular sectors of relevance and establish synergies wherever applicable, especially concerning information and data in economy, environment, agriculture, energy, water management, construction, transport etc. Involved sectors will be asked to cooperate in knowledge management by providing relevant information and ensuring it is accessible to their employees. Regular updates on project work will be given to all involved public institutions, as well as to other relevant stakeholders.

It is expected that information and tools generated by the project will increase capacities of the ministries, and other entities involved, to include climate change in public policies and decision-making process in order to achieve NDC goals. Also, the CBIT project will support the share of experiences and expertise between the relevant stakeholders and will improve the capacities of key Government counterparts, as main beneficiaries of the enhanced transparency system, to manage the system as per the Article 13 of the Paris Agreement (e.g. Ministry of Environmental Protection, Ministry of Agriculture, Forestry and Water Management; Ministry of Mining and Energy, Ministry of Construction, Transport and Infrastructure; Ministry of Interior (Sector for Emergency Situations); Republic Hydromet Service etc.).

Furthermore, the project will conduct a capacity-building and awareness-raising campaign targeted to each specific target group (decision-makers, CSOs, businesses, and the scientific research community) will be organized and relevant tools and materials produced in order to include them in the transparency system, ensure participatory approach to the review of progress in implementation and subsequent formulation of new climate change policies and measures, including the NDCs.

It is expected that Serbia will share its progress and achievements in establishing the transparency framework with other countries under the CBIT global coordination platform and other relevant platforms and networks. Also, it is expected that CBIT will assist Serbia in establishing complementary MRV system with MRV requirements of the EU in order to be prepared for compliance with respectful EU monitoring and reporting system. A specific part of the comprehensive MRV system for transparency will be established for sharing information and results produced under the national CBIT externally, including mechanisms for the exchange of information with the EU and other global transparency initiatives.

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## **V. RESULTS AND PARTNERSHIPS**

### **Expected Results**

#### **Project objective, outcomes, and outputs/activities**

##### *Project Development Objective*

The development objective of the project is to shift Serbia towards a low-carbon and climate resilience development pathway by mainstreaming and integrating climate change considerations into development strategies and sector-based policy frameworks; ensuring continuity in institutional and technical capacity building; and sustaining these policies and measures with a routine mechanism for climate change monitoring, reporting and verification.

##### *Project Immediate Objective*

The immediate objective of the project is to assist the Government of Serbia with establishing a National Transparency Framework in the Republic of Serbia to enhance implementation and abide by the transparency provisions of the Paris Agreement.

##### *Project Outcomes/Outputs*

The project objective will be achieved with the fulfillment of the following outcomes, which are in line with GEF 6 Focal Area Objective CCM-3 which aims to Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies, Programme 5: *Integrate findings of Convention obligations and enabling activities into national planning processes and mitigation targets*. The project is also aligned with “Development Partnership Framework 2016-2020 between the Government of the Republic of Serbia and United Nations Country Team in Serbia,” the outcome of which states that by 2020, there are improved capacities to combat climate change and manage natural resources and communities are more resilient to the effects of natural and man-made disasters.

The project goals and objectives will be achieved through strategic directions identified below:

1. Improving institutional and technical capacities for transparency in mitigation in relevant sectors
2. Improving institutional and technical capacities for transparency in adaptation in relevant sectors
3. Completing a domestic MRV system for updating the NDCs that supports stakeholder engagement
4. Improving the National GHG Inventories.
5. Building the capacity to realize the NDCs through regional peer exchanges
6. Monitoring and evaluating the financial management, progress, and preliminary impacts of the project and ensuring that good practices and lessons learned are communicated nationally and internationally

The project will significantly assist Serbia to fulfill its commitment under the UNFCCC and the Paris Agreement and report, report on, and refine its Nationally Determined Contribution to the UNFCCC. Moreover, it will assist Serbia in correlating activities arising out of the EU accession process and UNFCCC reporting commitments, thus securing synergies, complementarity and effective utilization of resources. The proposed project will further strengthen the capacity of national institutions in related research and analysis, eventually contributing to Serbia's inputs to reducing the impacts of the global environmental threat of climate change. Documents (reports, analyses, studies etc.) produced under the project will be used by the decision-makers for preparing and implementing guidelines and a policy action framework for climate action. The following project Outcomes (Equivalent to Activities in ATLAS), followed by their related Outputs, are expected to be achieved during this project:

## **Outcome 1.1: Improvement of institutional and technical capacities for transparency of mitigation in relevant sectors**

**Component 1** "Strengthening national transparency capacities for tracking NDC progress from mitigation activities" focuses on strengthening national institutions for transparency-related activities in line with national priorities. National capacities will be strengthened for monitoring and reporting of mitigation activities. The project will make efforts to support the use and exchange of open source data and to support the collection of georeferenced data where possible, and it will collect gender-disaggregated statistics where feasible and relevant.

The related outcome of this component is the "Improvement of institutional and technical capacities for transparency of mitigation in relevant sectors." The lead entity for this particular component is the National Climate Change Council, which is comprised of all relevant stakeholders and competent institutions.

### **Outputs for Outcome 1**

#### **1.1.1. Institutional platform for transparency improved based on an initial assessment of capacity building needs and gaps for transparency**

This output will result in the reorganization of the existing institutional set-up in the Country that will better correspond to the needs of development and functioning of the effective and robust MRV system to support enhanced transparency. This platform will represent a forum where all climate change-related issues will be discussed and resolved, because it will include all main actors relevant for climate change policy development and implementation. This platform will support a coordinated approach to the definition and implementation of Serbia's NDC. The platform itself will not be a new, formal institution and will not require additional resources to function, but rather an agglomeration of existing, relevant structures and institutions.

The platform will build upon the existing institutional structure of the Climate Change Council. Its work will be coordinated by the Secretariat of the Climate Change Council, which will be established within the Ministry of Environmental Protection (in the Climate Change Unit) in order to ensure its ongoing commitment to the review and improvement of Serbia's NDC. The Ministry already performs the *ad hoc* secretariat functions of the Council, while formalization of this role will only require an internal reorganization of work in the line department. The CBIT project will provide guidelines for the possible structure and rules for procedures for this platform, and it will support its regular meetings during the project implementation period. The initial task under the institutional platform will be to assess the capacity-building needs and gaps for effective transparency based on existing data and international and EU requirements. This assessment will be used for to further define and implement capacity-building programs in mitigation and adaptation areas.

#### **1.1.2. Assessment of the resources (financial and institutional) needed to implement NDC's specific mitigation policies and measures conducted, with a gender-sensitive approach.**

This output will result in an assessment report containing information about the specific sector resources needs for effective implementation of the mitigation measures. It will also provide justification and inputs for the policy and budgetary planning processes of different institutions in charge of specific mitigation measures, and it will identify potential sources of domestic and international financing for these measures.

#### 1.1.3. System for the assessment and tracking of the implementation of NDCs mitigation activities and their continuous improvement developed, with a gender-sensitive approach.

This output will produce an impact assessment of sectoral strategies, policies and measures on the GHG emissions reductions. Project experts will develop and implement a methodological approach with a set of actions for MoEP to undertake a detailed assessment of the impacts of sectoral strategies, policies and measures on GHG emissions reductions. Sectoral institutions will also be asked to contribute to the assessments in their respective sectors, while reporting to the Ministry of Environmental Protection. The results of the assessment will feed into the process of developing and improving the NDCs. Project experts will then produce a set of sector-based indicators that will be used by relevant institutions to monitor the level of implementation of future mitigation actions as they are identified and included in future versions of the NDC. It will also be used for reformulation of the mitigation actions and to identify opportunities for the increase of the ambition of mitigation measures under the NDC improvement process.

#### 1.1.4. Training program for NDC tracking and reporting for specific institutions prepared using a gender sensitive approach.

In order for MoEP and other competent institutions to be able to monitor and implement mitigation measures defined by the NDCs effectively, project experts will develop and conduct a targeted training program. The coordinator of the training activities will be MoEP, while participation of other relevant institutions will be also ensured through the NCCC. Training materials and scripts will be maintained in training manuals, which can be stored at the Climate Change Unit of MoEP and updated as needed.

#### 1.1.5. Capacity building for competent institutions for the development of GHG emissions projections that fulfill the criteria of transparency, accuracy, consistency, comparability and completeness conducted

This output will result in the development of climate change projections with mitigation scenarios resulting from NDC implementation. These projections and climate mitigation scenarios will be used also for future definition of mitigation measures under the NDCs enhanced ambition. Capacity building programs will be developed for the preparation of sectoral mitigation projects in accordance with the new transparency framework. This work will be closely correlated with similar activities undertaken under the NC/BUR project and the results of the National Climate Change Strategy. While similar activities under the NC/BUR project and the EU-funded project supporting the development of the CC Strategy are based on external experts and prepared as a one-time project intervention, the CBIT project will build the capacities of national partners to produce climate change projections and mitigation scenarios on a continuous basis as the NDCs are updated. In this way, CBIT interventions will build on technical assistance provided to date while avoiding duplication. The primary partners for this work will be MoEP and SEPA, but other line institutions of relevance to climate change policy creation and implementation (such as Ministry of Mining and Energy, Ministry of Agriculture, Forestry and Water Management and Ministry of Construction, Transport and Infrastructure) will also participate. Within the CBIT project, a technical resource manual will be developed, and specific trainings for relevant ministries and agencies will be organized.

#### 1.1.6. E- tool developed for reporting on implementation and for planning and continuous improvement of sectoral mitigation activities under the NDC

This output will result in a comprehensive, online tool that is easily accessible by all competent institutions. This tool will be integral part of the enhanced MRV system. It will be used the primary tool for formulating and tracking NDC implementation in Serbia, and it will have specified formats for communication among competent institutions. Its primary purpose will be to support the reporting and tracking progress on NDCs implementation in the context of enhanced transparency. However, the e-tool will also be used as an information/knowledge sharing platform and for capacity building purposes, as it will already contain



information from competent institutions on their mitigation activities. The e-tool, along with the e-tools developed under Outputs 2.1.4 and 3.1.4, will form an integral part of the existing climate change web portal for Serbia ([www.klimatskepromene.rs](http://www.klimatskepromene.rs)) and will be hosted and regularly updated and managed jointly by UNDP and MoEP (as per the existing modality). Access to this e-tool will be restricted to targeted stakeholders via username and password, while MoEP, as its administrator, will select the information that will be publicly accessible via the web portal – this will form one reporting framework (the framework for transparency of action) under the overall enhanced transparency framework and will be an integral part of the overall MRV system for Serbia.

### **Outcome 2.1: Improvement of institutional and technical capacities for transparency of adaptation in relevant sectors**

This outcome is focused on strengthening national capacities on vulnerability and adaptation monitoring and reporting under the enhanced transparency framework. The project will make efforts to support the use and exchange of open source data and to support the collection of georeferenced data where possible, and it will collect gender-disaggregated statistics where feasible and relevant.

#### **Outputs for Outcome 2:**

##### **2.1.1. Sectoral vulnerability assessment of climate change impacts conducted**

This output will result in sector specific methodological approaches to vulnerability assessments and its later implementation, containing a set of actions for MoEP to undertake detailed climate vulnerability assessments in different sectors, first and foremost agriculture, forestry, water management, and health. Country-appropriate methodologies will also be developed for sectors that are less frequently addressed in vulnerability assessments, such as energy, transport, infrastructure, and construction.

While vulnerability assessments were conducted as an integral part of the NC preparation process, this work was a one-time, project-based intervention conducted mainly by external experts. The CBIT project will work on the establishment of institutional procedures and methodological approach for the line Ministry to organize continuity of the process of vulnerability assessments, relying mostly on the internal capacity of specialized government institutions. This approach will ensure continuous input to monitoring reviewing the implementation of NDCs in the area of climate change adaptation measures. Sectoral institutions reporting to MoEP will also be asked to contribute to the vulnerability assessments in their respective sectors. The results of the assessments will feed in to the development and improvement of the NDC, and activities under this output will be closely linked with similar activities implemented under the NCs.

##### **2.1.2. Analytical approach to costs and benefits of the implementation of NDCs adaptation measures, and financing possibilities prepared and conducted**

This output will result in a methodological approach that will provide guidelines for the Ministry of Environmental Protection and other sectoral institutions on how to conduct a cost-benefit assessment and damage and loss analyses, using a gender-sensitive approach, of adaptation measures proposed under the NDC. The results of these assessments will be used for financial planning for NDC revisions and upgrades in the area of climate change adaptation planning;

##### **2.1.3. E- tool established for reporting on implementation and for planning and continuous improvement of NDC adaptation measures and for occurrences of floods, extreme temperatures, droughts, and other extreme weather, as well as on their consequences**

This output will result in the establishment of the enhanced transparency e- tool as a kind of database that will enable effective communication of adaptation actions and policies internally within the country and among stakeholders, as well as externally to the EU and UNFCCC. This tool will be integral part of the enhanced MRV system. Such MRV system will provide basis for synergistic approach in undertaking climate change adaptation actions in different sectors, with the participation of the citizens and relevant

stakeholders. It will also contribute to formulation and tracking of implementation of Serbia's NDCs. In this regard, it will also contribute to building a synergistic approach planning and monitoring measures in the area of climate change adaptation and DRR.

Part of the system will be a tool for monitoring progress in the implementation of sectoral adaptation measures. Adaptation aspects will be included as part of the overall MRV system, in a coherent and integral manner. The e-tool, along with the e-tools developed under Outputs 1.1.6 and 3.1.4, will form an integral part of the existing climate change web portal for Serbia ([www.klimatskepromene.rs](http://www.klimatskepromene.rs)) and will be hosted and regularly updated and managed jointly by UNDP and MoEP (as per the existing modality). Access to this e-tool will be restricted to targeted stakeholders via username and password, while MoEP, as its administrator, will select the information that will be publicly accessible via the web portal – this will form one reporting framework (the framework for transparency of action) under the overall enhanced transparency framework and will be an integral part of the overall MRV system for Serbia.

#### 2.1.4. NDC tracking and reporting training programme on climate change adaptation for specific institutions prepared and conducted, using a gender-sensitive approach

The consideration of adaptation aspects in the MRV system to enhance transparency will also contribute to strengthen technical capacities regarding adequate methodologies to assess climate change and variability risks and impacts, with a gender-sensitive approach. Once again, these assessments will contribute to awareness-raising, not only at a general level but also at the political level as a booster to the decision-making process by helping decision-makers to understand the implications of the absence of adaptation measures, with particular consideration given to differentiated impacts on men and women. For this purpose, the project team will prepare guidelines for the identification of sectoral impacts of climate change and for vulnerability assessment, as well as the methodology for cost-benefit analyses of different adaptation options, tools for monitoring progress in implementation of sectoral adaptation measures, and a capacity-building program for relevant sectoral institutions for monitoring and reporting on adaptation measures.

#### 2.1.5 NDC tracking and reporting on climate change adaptation aligned with DRR tracking and reporting

The Government of Serbia intends to make closer linkages between the climate change adaptation planning and disaster risk reduction in order to maximize utilization of resources and minimize economic losses due to extreme weather events. This particular output will contribute to building a synergistic approach to NDC planning and DRR-related activities (including for losses and damages). The training program will also incorporate elements for effective inclusion of DRR-related plans and actions into the NDCs planning and monitoring mechanism. Therefore, the training program will support several targets under the Hyogo Framework for Action.

### **Outcome 3.1: Domestic MRV system for updating NDCs completed, including MRV to support stakeholders' engagement**

This outcome will result in the development of an overall MRV system for the NDC, including the development of the framework for transparency of support. This outcome will also support the inclusion of institutions, businesses and local communities in NDC planning and implementation.

This outcome builds upon the outputs of the Component 1 and 2 and will result in the establishment of a comprehensive MRV system for tracking and improving Serbia's NDCs (a framework for transparency of action and a framework for transparency of support). It will also focus at identification of institutional and policy gaps regarding the reporting on received financial support and national contributions of relevance to climate change mitigation and adaptation activities.

#### **Outputs for Outcome 3.1:**

3.1.1. Protocol for developing the technical inputs needed for updating future NDCs on a continuous basis elaborated

This output will produce technical guidelines for relevant stakeholders (MoEP and other sectoral institutions) with clear instructions on how to update the NDC. This protocol will be one of the essential elements of the future MRV system for enhanced transparency. This protocol will be used for the preparation of the first revision of the NDC, which is expected to be submitted to the UNFCCC Secretariat by the end of 2020, as well as for subsequent revisions; e.g., existing arrangements on information exchange regarding technology and capacity building support. The findings of the assessment will inform the guidelines that are developed under Output 3.1.3 and the e-tool and related capacity strengthening and training that will be carried out under Output 3.1.4.

### 3.1.2. Needs and gaps of relevant institutions and local communities for reporting on received financial support vis-à-vis the NDC identified

A specific assessment will be conducted as a result of this particular output in order to assess gaps and determine the needs of institutions at central and local level that are relevant for the purpose of effective reporting on received financial support vis-à-vis the NDC.

### 3.1.3. Guidelines for reporting financial, technology transfer and capacity-building support needed and received into the MRV system prepared

This output will result in specific guidelines for identification and tracking of financial flows and investments of relevance to climate change mitigation and adaptation at national, local level and for both, public and private sector. Also, it will contribute to identification of technology capacity building support that was received in the Country, as well as identification of technology and capacity building needs. The guidelines will eventually establish a protocol for feeding this information from all levels of governance (national and local), as well as from the private sector, into one MRV system for transparency. The guidelines will take into account the specific capacity of different government agencies at national and local levels to provide and exchange information.

### 3.1.4. E-tool for exchange of information and for reporting of local communities and business sector on activities relevant for achievement of NDC developed;

This output will result in development of e-tool for exchange of information and for reporting of local communities and businesses on activities relevant for achievement of the NDC. This tool will be incorporated into the overall comprehensive national MRV system for improved transparency. Particular attention will be dedicated to the local self-governments as they have not been previously included neither in planning nor in monitoring of implementation of climate change mitigation and adaptation measures and activities. Also, many public and private companies, as well as industrial facilities, are located at the territories of local self-governments and thus their participation in planning of measures and monitoring their implementation, would be of significance contribution to the overall national mitigation and adaptation targets. It is important to point out that reporting of competent state institutions, do not include all actions and projects that are being implemented at the level of local self-governments (in particular due to their significant autonomy). Concerning the business sector, competent state institutions usually include in their reporting large scale actions and projects in the business sector. However, a number of small scale initiatives, projects and activities of the business sector are not registered nor included in the official reports that are being used when performing analyses and explore climate change mitigation potentials or adaptation opportunities. This is why a separate e-tool for reporting of the local self-governments and business community is needed, in addition to the previously mentioned ones.

The e-tool, along with the e-tools developed under Outputs 1.1.6 and 2.1.4, will form an integral part of the existing climate change web portal for Serbia ([www.klimatskepromene.rs](http://www.klimatskepromene.rs)) and will be hosted and regularly updated and managed jointly by UNDP and MoEP (as per the existing modality). Access to this e-tool will be restricted to targeted stakeholders via username and password, while MoEP, as its administrator, will select the information that will be publicly accessible via the web portal – this will form one reporting framework (the framework for transparency of support) under the overall enhanced transparency framework

and will be an integral part of the overall MRV system for Serbia. Training for the e-tool users will be provided, with special consideration for organizations where capacity gaps and needs in reporting have been identified in the assessment conducted under Output 3.1.2.

### **Outcome 3.2: Improvement of the National GHG Inventories.**

This outcome will also contribute to the improvement of the National GHG Inventories - as Serbia is an EU accession country, it will need to make its GHG Inventory reporting system coherent with that of the EU and undertake yearly Inventory reporting. This will require efforts to continuously enhance the transparency, accuracy, consistency, comparability and comprehensiveness of the National GHG Inventories. Also, as per the recommendations provided under the “Technical analysis of the first biennial update report of Serbia,” CO<sub>2</sub> emissions from fuel combustion are reported using the reference and sectoral approaches, but the difference between them is not explained due to the lack of good quality data within the inventory. CBIT project will cover interventions that are not included in the scope of NC/BUR projects. Therefore, this outcome includes outputs that will allow the country to enhance the quality, robustness and transparency of its National GHG Inventories.

#### **Outputs for Outcome 3.2**

3.2.1. Country-specific emission factor for CO<sub>2</sub> from thermo-power plants and industry sector, as well as for Agriculture and LULUCF, developed.

As per the “Technical analysis of the first biennial update report of Serbia submitted on 28 March 2016”, the review team indicated that Serbia, as non-Annex I Party did not provide complete information on methodologies, activity data and emission factors used in the estimation of GHG emissions; Serbia reported that it encountered challenges in reporting additional information on methodologies, emission factors and activity data. Therefore, Serbia used the IPCC inventory software that implements Tier 1 methods, and applied default emission factors from the 2006 IPCC Guidelines. Serbia further indicated that information on methodologies, activity data, and emissions factors would be presented in future UNFCCC reporting processes. The UNFCCC Secretariat noted that including this information in the future reporting would significantly enhance transparency. Also, while Serbia used the 2006 IPCC Guidelines, it did not provide the equivalent LULUCF and sectoral background tables in its first BUR. The Summary Report of the Technical Analysis noted that including in this information in future reporting for the sectoral level in the GHG inventory would further enhance transparency. The CBIT proposal will complement the work of NCs and BURs by providing country-specific emission factors wherever applicable and by analyzing the available data and their quality. Additionally, IPCC has developed an online emission factor database, therefore developed country-specific emission factor will be submitted to the IPCC emission factor database<sup>5</sup> using well-defined EFDB criteria.

3.2.2. Assessment of available information to include in GHG emission estimations other carbon pools included in the IPCC Guidelines but not estimated in the National GHG Inventory (soil organic carbon and litter) conducted and Inventory improved.

In order to provide the most current and precise information on anthropogenic emissions by sources and removals by sinks for all GHGs as per the IPCC Guidelines, MoEP intends to assess the availability of information and data to refine the estimates of GHG sinks by estimating emissions from other carbon pools. This activity would significantly increase the transparency and quality of the future reporting processes.

### **Outcome 3.3: NDC capacity building through regional peer exchanges**

This outcome will be focused on capacity building for NDC planning and improvement based on peer exchanges. In addition, it is important to point out that CBIT project will ensure further strengthening of national capacities of relevant Ministries on IPCC 2006 Guidelines and improvement of activity data.

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<sup>5</sup> <http://www.ipcc-nggip.iges.or.jp/EFDB/main.php>

### Outputs for Outcome 3.3:

#### 3.3.1. Regional peer exchanges on NDC planning and implementation and on the enhanced transparency framework conducted;

As the other countries of the Western Balkans region are also in the same process of improving the transparency as per the requirements of the Paris Climate Agreement and considering country-specific circumstances, the regional peer exchange programs on transparency activities will be undertaken in order to exchange information, experience and knowledge between the countries (in particular in the Western Balkans Region). This peer exchange programs for transparency will also refer to tools and instruments such as MRV systems, tracking of NDC, economic and emissions projections and GHG inventories, integration of gender considerations into the enhanced transparency framework. The capacity building and peer exchanges may include methodological approaches, data collection, and data management, and adaptation monitoring, evaluation, and communication of measures. This will provide the countries a wider range of methodologies and tools for the improvement of national transparency. It will be implemented in two main modalities: one referring to virtual exchange and communication via emails and virtual conferences where countries of the Western Balkans will be able to share between each other lessons and the other one in person, focusing on workshops, trainings and similar type of events to be organized at least twice a year. This activity will build upon the successful results and experience generated at the Regional Workshop “Supporting the integration of gender considerations into MRV/transparency processes in the Western Balkan Countries”, held in Skopje, FYROM (in December 2017) where countries of the Western Balkans conducted a focused exchange of views on capacity building for transparency and on supporting gender & climate work plans.

### Partnerships

The assistance provided through the CBIT project for development of the Serbia’s transparency framework under the Paris Agreement will complement the support that Serbia has received and is currently receiving through other projects. An overview of previous and ongoing projects that will inform the implementation of this project are provided in the table below.

*Table 2: Overview of Relevant Projects by Project and Development Partner*

Programme/ Project	Description	Status	Partners
EU/IPA “Development of the National Climate Change Strategy with the Action Plan”	The National Climate Change Strategy with the Action Plan for Serbia will establish a strategic framework for climate action and includes adaptation options to address climate risks. Through this strategy, Serbia will put in place robust climate and energy policies that will enable the implementation of the NDC pledge and its potential strengthening in coming years. This policy framework should allow for transparent decision-making on future objectives, targets, and priority policies and measures for mitigation. The Strategy also defines the need for all relevant sectors to comply with the overall climate change policy framework for Serbia, including UNFCCC requirements, the Paris Agreement, and the EU strategic/legislative framework in the area of climate and energy.	2015-2017 (complete)	European Union, Government of Serbia (MoEP)
EU/IPA twinning project: “Establishment of a mechanism for implementation of the EU Monitoring Mechanism Regulation (MMR).”	The project focused on the development of a legislative and institutional framework for the implementation of the EU ETS Directive.  The project finished in 2015, resulting in the first Draft Law and sub-laws that include MRV aspects of Directive 2009/29/EC (the legal document is pending Governmental adoption). The main project purpose was	2015-2017 (complete)	European Union, Government of Serbia (MoEP)

	to create enabling policy environment for establishment of legal and institutional framework for implementation of the EU Emission Trading System, including provisions on MRV required by the EU Directive 2009/29/EC. This project aimed at transposition and preparation for implementation of Regulation (EU) No 525/2013 and Decision 406/2009/EC (ESD). The MMR project also contributed to the establishment of institutional and procedural arrangements, legal framework and administrative and institutional capacities of the relevant bodies for the implementation of the EU legislation, namely the MMR and the Effort Sharing Decision (ESD).		
“Capacity development on NAMAs”	The project purpose was identification and development of NAMA in energy efficiency field. Detailed documentation for 12 identified NAMAs was prepared, including proposals for MRV. Additionally, the project drafted NAMA Development Guidelines for the Republic of Serbia.	2010-2013 (complete)	Government of Japan
“Reducing Barriers to Accelerate Development of Biomass Markets in Serbia”  and  “Removing Barriers to Promote and Support Energy Management Systems in Municipalities throughout Serbia”	Both of these projects provide support to Serbia in attaining the renewable energy and energy efficiency targets that are communicated to the European Energy Community, under the EU accession process. These projects are very important in terms of their contribution to Serbia’s GHG emission reduction targets. As the energy sector is recognized also by Serbia’s NDC as one of the main sources of emissions and also the sector with greatest potential for GHG emission reduction, the results of both projects will be incorporated into the future revision of NDCs. Also, the second project, which supports energy management systems, resulted in the establishment of an on-line Energy Management Information System (EMIS) for Serbia that is being used by the Government and municipalities to report on their energy efficiency measures and energy management performance. Data and information from this system will be used to feed into the future MRV system for tracking Serbia’s NDC. The EMIS tool will also be used for the purpose of planning and for the revision of future NDCs under the CBIT project.	Under implementation (2014-18 and 2015-20, resp.)	UNDP-GEF and the Government of Serbia (Ministry of Mining and Energy)
“Climate Smart Urban Development Challenge (CSUD)”	The objective of the CSUD project is to identify and promote climate-smart solutions for mitigating climate change at the local level in the Republic of Serbia.	2017-2021 (under implementation)	UNDP-GEF and the Government of Serbia (MoEP)
“Third National Communication and Second Biennial Update Report for Serbia to the UNFCCC (3NC/2BUR)”	The objective of the project is to support the Republic of Serbia in the preparation of its third NC and second BUR to the UNFCCC. The activities of this particular project that are related to the support in establishing an effective MRV system will be closely linked with the CBIT project. The MRV segment of the 3NC/2BUR project will be primarily focused on further elaboration of recommendations arising from the EU-funded projects mentioned above, with a particular emphasis on GHG Inventory improvements from the point of view of improved data collection. The CBIT project will also support specific inventory improvements under Output 3.2, but it will also address CC mitigation and adaptation planning and reporting from the point of view of capacity building and transparency as per the Paris Agreement requirements.	2018-2021 (under implementation)	UNDP-GEF and the Government of Serbia (MoEP)

## Risks and Assumptions

In accordance with Focal Area Objective CCM-3 (Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies) of the GEF-6 Climate Change Strategy, project indicators are aligned with the following objective: *Integrate findings of Convention obligations and enabling activities into national planning processes and mitigation targets.*

Baseline information for indicators is provided in the Project Results Framework (Section VII) and in the CBIT Tracking Tool in Annex B. Project indicators are described in Project Results Framework, and the corresponding Monitoring & Evaluation Plan is provided in Section VIII of this document.

The main identified risks to the successful implementation of the project are identified in the table below.

Table 3: Overview of Identified Risks and Measures to Reduce Project Risk

Risk	Risk Level	Approach to Risk Mitigation
<b>Risk 1:</b> The mechanisms created by the project would not be sustainable beyond the end of the project implementation period.	Low/ Moderate	Both the Government of Serbia and the EU have provided multi-year support for climate-related reporting activities in Serbia. The analytical and information management skills put in place by the project will continue to be utilized beyond the end of the project implementation period.
<b>Risk 2:</b> The transparency framework would not be considered sufficiently important by the government to ensure adequate participation in and support for project activities; resources and attention would be diverted to other issues.	Low/ Moderate	The project is explicitly designed to link the transparency framework to high-priority issues in Serbia, such as EU accession and disaster risk reduction. This linkage will ensure that the project maintains high-level support.
<b>Risk 3:</b> Insufficient attention to CC issues on the part of the Government due to other pressing concerns will hinder project implementation.	Low	The project team will make sure to engage various Government stakeholders throughout the process.
<b>Risk 4:</b> Lack of skill set, and uneven skill sets in different public entities	Moderate	This will be addressed by developing targeted capacity building approaches for different sectors and also for different skill sets. Also, there will be a focus on knowledge transfer and peer learning.

As a GEF CBIT project, the project is exempt from an environmental and social review (see Annex D), and the overall risk rating for the project is “low,” as the project does not involve any investments in infrastructure. Furthermore, the project design includes specific activities and approaches to promote women’s equality and empowerment, and it explicitly promotes environmental sustainability.

Further details on project risks, including their estimated probability and impact, are presented in the “Offline Risk Log” in Annex H of this document.

## Stakeholder Engagement Plan

The stakeholder engagement plan for the project is the result of an ongoing dialogue with stakeholders throughout project design and preparation. A summary of the stakeholder consultation process for this project and key findings are summarized in Annex F on the basis of a stakeholder consultation report, which was compiled during project preparation.

In terms of key stakeholders, MoEP is the responsible institution for the implementation of the Convention at national level. It will act as Implementing Partner and coordinating body of the Project. The Serbian Environmental Protection Agency is also a key stakeholder, as it is responsible for collecting data in support of the national GHG inventory.

Additionally, the National Climate Change Committee was established in late 2014 with the aim to monitor development and implementation of national policies on climate change, sectoral policies and other planning documents, in terms of consistency with national climate change policies and propose measures for improving and coordinating policies, measures and actions in this field. Members of the Committee are representatives of all relevant ministries and other governmental institutions, as well as representatives of universities, scientific institutions and civil society organizations. National Climate Change Committee will be used as a main national coordination body to support preparation of the 3NC and 2BUR, as well as to validate findings of the particular chapters of each report. It will also facilitate integration of climate change mitigation and adaptation measures into other sectoral policies and strategies.

Based on the experience in producing the two national communications and biennial update report, it is understood that the most effective way to address climate change, is to ensure involvement of all stakeholders (academic sector, private sector, NGO sector and relevant Ministries and state agencies) in both design and implementation of the climate change related actions through focused discussion and working groups. The integration of the different sectors strengthens the institutional and technical capacity of different stakeholders and institutions and ensures the achievement of optimal sectoral coverage and relevance of the actions and enhance their sustainability. In addition to that, the national knowledge, and awareness of the different stakeholders have been increased, in particular those from the government, non-government, private and academic sectors.

The participation of broad range of relevant stakeholders from business, private and civil society sectors will draw closer the positions of official, business and civil society circles regarding national economic and environmental priorities and enhance raising awareness in sustainable development. The integration of the different sectors strengthens the institutional and technical capacity of the different stakeholders and institutions, not limited to a reduced group of experts and decision makers from the governmental institution where lies the responsibility for the fulfillment of the national obligations to the Convention.

Specifically, some of the data for the Industrial Processes sector might not be reported under the requested nomenclature in the IPCC methodology or is not properly disaggregated. In order to overcome these issues, larger industrial facilities should be requested to provide relevant information regarding activity data, emission factors and ongoing processes in their plants. This communication shall be conducted via the Chamber of Commerce or the ministry in charge for industrial development and customs. Project will consider support to development of a web-based platform that gathers data directly from the industry installations to be used as input data for three inventories required from the industry sector - GHG inventory, air pollutants cadasters and the cadaster of polluters. The collected data should include the annual production, feedstock usage, and specific production process details.

The project also intends to strengthen stakeholders' participation in addressing climate change issues and challenges in Serbia. The list of stakeholders will include, but is not limited to the Ministry of Environmental Protection (including the Serbian Environmental Protection Agency), Ministry of Agriculture, Forestry and Water Management (including Forestry Directorate and Water Directorate); Ministry of Mining and Energy; Ministry of Economy; Ministry of Construction, Transport and Infrastructure; National Statistics Office of Serbia; Ministry of Education and Science; Ministry of Health; Nature Protection Institute of Serbia; Republic Hydromet Service of Serbia; Parliament, NGOs, local communities, local authorities, research institutions, international organizations, business community, women and youth groups, mass-media. This broad stakeholders' involvement will foster science, technology and innovation initiatives. Other stakeholders will be included in the process through the participatory approach planned within the project.

MoEP will, through its Climate Change Division, perform a leadership and coordination role for the development of actions needed to fulfill the obligations to the Convention and its formal communication to the international community, acting in coordination with the other stakeholders, integrating climate change in the ongoing national activities for the achievement of results to be reported and communicated through the National Communications and Biennial Update Reports.



Particular attention will be given to work with the Serbian Parliament and its Boards (such as the Board for Environmental Protection and Climate Change, Board for Energy, Board for Agriculture, Board for Health and Family Affairs etc.). A number of workshops and roundtable discussions will be organized with parliamentarians, with the involvement of other stakeholders, such as Government agencies, academia, CSOs, journalists. This should result in improved integration of climate change considerations into other sectorial policies and plans and will lead to the improved implementation of the overall climate change policy.

Relevant sectoral Ministries, such as the Ministry of Economy, Ministry of Mining and Energy, Ministry of Interior, Ministry of Construction, Transport and Infrastructure as well as Serbian Environmental Protection Agency (SEPA), will participate in project activities aimed at the preparation of GHG inventories and identification and preparation of mitigation actions. Their particular role is in the elaboration of the National GHG Inventories, as they are responsible for the estimation of the respective sectoral emissions according to the IPCC guidelines and under the guidance and coordination of the MoEP. Also, besides already quoted institutions, key sectors of relevance to the climate change adaptation will be closely involved into vulnerability assessment and CCA planning, such as the Institute for Meteorology, Nature Protection Institute of Serbia etc.

MoEP will take part in capacity building activities for identification, preparation and implementation of mitigation and adaptation actions in key economic sectors. Relevant sectoral Ministries and bodies will participate in capacity building and strengthening activities aimed at the identification, preparation and implementation of mitigation and adaptation actions in key economic sectors. Other relevant stakeholders, such as the Academy of Sciences, private sector, NGO sector and relevant Ministries will be included in the process as will participate in training activities.

A stakeholder engagement plan for the project is included in Annex F.

## **Gender Equality and Empowering Women**

Gender issues are an important element of project sustainability. The UNFCCC and the CoP Lima Work Programme on Gender recognize that all aspects of climate change have gender dimensions. In much the same way that the GEF is supporting countries to mainstream the global environment into their national sustainable development planning frameworks, so too are they calling for gender equality issues to be mainstreamed in the GEF-funded capacity development interventions.

This strategy is consistent and complementary to UNDP's 2018-2021 Strategic Plan that similarly calls for projects implemented by UNDP to meet high standards to meeting gender equality criteria. Similarly, UNDP has prepared important guidance on their policy on Gender Equality, notably the UNDP Gender Equality Strategy 2014-2017 and Powerful Synergies: Gender Equality, Economic Development and Environmental Sustainability. The UN Country team supports the Government of Serbia in its respective efforts through direct projects targeting women, and also incorporates respective gender-related activities into the project design when preparing, and then, implementing projects. The gender dimension has been considered when preparing the program for further UN cooperation with the Government of Serbia in Framework document "Development Partnership Framework 2016-2020", *gender equality is regarded as a critical precondition for improvement of human rights situation and sustainable development, therefore gender mainstreaming into national laws, policies, budgets and programmes is applied across almost all focus areas*. According to the UNDAF, under Pillar 1: Governance and Rule of Law, "By 2020, people in Serbia, especially vulnerable groups, have their human rights protected and have improved access to justice and security", as well as "By 2020, state institutions and other relevant actors enhance gender equality and enable women and girls, especially those from vulnerable groups, to live lives free from discrimination and violence".

Based on the Constitution, the Republic of Serbia guarantees equality of women and men. Serbia has made strong progress in recent years in promoting gender equality and the empowerment of women. Currently, women hold around 34 percent of seats in the National Assembly. Additionally, Serbia met the target (under MDG 3) of eliminating gender disparity in primary and secondary education. Article 15 of the 2006

Constitution of Serbia endorses the equality of women and men and the policy of equal opportunity, and the Law on Gender Equality and the Law on Prohibition of Discrimination were adopted in 2009. Despite these improvements, there still remain several gender equality issues in Serbia. These issues include labor market participation and the gender pay gap.

The GEF policy for mainstreaming gender in the projects that they finance calls for three requirements to be met (GEF, 2013): 1) Gender mainstreaming and capacity building within GEF staff to improve socio-economic understanding of gender issues; 2) A designated focal point for gender issues to support development, implementation, monitoring and strategy on gender mainstreaming internally and externally; and 3) Working with experts in gender issues to utilize their expertise in developing and implementing GEF projects.

During the compilation of its Second National Communication, the Republic of Serbia produced a specific Study on Gender and Climate Change. This study recognizes that women and men have different vulnerabilities to climate change impacts on food security, agricultural productivity, livelihood, water availability, sanitation, health and energy, among others. For this reason, under the improved transparency framework, the CBIT project will ensure that gender disaggregated data are incorporated in the MRV system, as well as that future revisions and improvements of NDCs are considering gender sensitive mitigation and adaptation measures. Key points identified by this study related to CC adaptation indicate that women may have different needs for adaptation than men in terms of their greater vulnerability to the extreme weather events. Also, the Study acknowledges specific women's role in adaptation - The social roles and responsibilities of women lead to a higher degree of dependence on the natural environment, especially in rural areas. Due to climate change, the burden of work that women carry in order to care for their families, such as collecting water and firewood, is increasing. The impact is also seen through the fact that women in rural areas mostly work in agriculture, which is highly vulnerable to climate change. Women face higher risks during and after disasters. They have less access to information such as early warnings, they may receive fewer resources due to inequitable distribution of aid, and they may be subject to sexual violence in post-disaster periods. Women's knowledge of natural resources and their common responsibilities in households and communities can be crucial for adaptation and disaster management.

Therefore, spread of information regarding climate change impacts and adaptation possibilities among women is the most important. Also, it is recognized that the design of gender-sensitive adaptation policies and measures is a must. This will enhance women's abilities and opportunities to mitigate disasters and cope with climate change. On the other hand, the Study also recognizes differentiated role of women in the climate change mitigation area. With this regard, key points of the Study in CC mitigation indicate the need to consider that sources and level of emissions of women and men differ substantially, independently of their age and income. Also, based on surveys, women tend to be more concerned about climate change and would prefer more ambitious efforts to reduce greenhouse gas emissions than men, as well as the women are more willing than men to change their behavior in order to save energy and purchase low-carbon emitting products. These facts imply that gender differentiated approach in planning and implementation of climate change mitigation measures can maximize the mitigation potential of those measures.

### *Gender Mainstreaming in the Project*

An Initial Gender Analysis for Serbia, including a discussion of climate-related findings, is provided in Annex G of this document. Gender mainstreaming from a project construct requires deliberate action to address the policy and institutional barriers that marginalize women. While culture is certainly an important issue that generally have minimized or restricted access to economic and social benefits equal to their male counterparts, awareness-raising and alternative roles for women offer an opportunity for them to play a greater role in promoting ethical approaches to sustainable development. In line with that, the project and its related initiatives are integrating gender issues into project design, implementation, and M&E in the following way:

- Project preparation has involved consultation with gender specialists and consultations about gender issues

- In the project inception phase of this project, an engagement strategy for women and vulnerable groups will be designed to ensure gender and vulnerable community dimensions are adequately addressed.
- During the project inception the mandatory UNDP gender marker will be applied. This requires that each project in UNDP's ATLAS system be rated for gender relevance. This will for example include a brief analysis of how the project plans to achieve its environmental objective by addressing the differences in the roles and needs of women and men.
- Gender issues will be monitored throughout project implementation. These will be tracked on an annual basis as part of the Annual Progress Report/Project Implementation Review. Other gender-relevant markers will be identified and tracked as appropriate.
- The project design and implementation will ensure both an adequate balance of participation in the project, and the equitable distribution of benefits.
- Gender-sensitive indicators to be monitored per good practice are listed in the Project Results Framework in Section VII. As one of the cross-cutting issues, the Project will take into account gender mainstreaming as well, and in line with Gender Responsive National Communications Toolkit<sup>6</sup> developed by the Global Support Programme through UNDP and in collaboration with UNEP and GEF.
- Balance will be sought for workshops under the project. With regard to the technical team to be hired to implement the enabling activity, gender balance will be also considered. The project will intend to engage appropriate female local consultants when possible and appropriate.
- Particular attention will be dedicated to gender differentiation of vulnerability assessments and climate change adaptation planning and incorporation of gender into disaster risk management.
- The project will ensure that data and information contained within the MRV system under the transparency framework will be gender disaggregated. Also, the MRV system in Serbia will be gender sensitive and all the data and information stored in this system will be gender disaggregated. Also, it will provide specific guidelines and tools on how to prepare gender sensitive climate change policies and measures, based on the data and information produced under the MRV.

These activities are summarized by project component in the Gender Action Plan provided in Annex G of this document.

### **South-South and Triangular Cooperation**

The Global Support Programme (GSP) facilitates the collaboration and exchange of knowledge and experience among countries in the Western Balkan sub-region. Under the auspices of the GSP, sub-regional countries prepared a draft "Balkans Action plan for integrating gender aspects responsiveness into the preparation of the Climate Reports" and attended a December 2017 regional workshop entitled "Supporting the integration of gender considerations into MRV/transparency processes in the Western Balkan Countries," which was held in Skopje. Representatives from all Western Balkan countries, as well as Lebanon, and representatives from the GSP, UNDP and UNFCCC participated in that event. The next meeting, which is planned for the final quarter of 2018, and other future meetings will present opportunities to present national roadmaps/action plans and share lessons learned.

Furthermore, the project will share project reports, methodological tools, and lessons learned to the CBIT Global Coordination Platform (GCP) website and at GCP global stocktaking meetings and technical workshops in order to share its experiences and approaches with other non-Annex I countries and development partners.

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<sup>6</sup><http://www.undp.org/content/undp/en/home/librarypage/womens-empowerment/gender-responsive-national-communications.html>

## **Sustainability and Replicability**

The design of the project has several features that support sustainability. First, it builds on existing institutional arrangements and technical capacities, particularly GHG Inventories and previous BURs and NCs. Second, the project has benefitted from a broad consultative process with public, private and civil society actor and from existing consultative relationships that have been developed over time through the Climate Change Strategy project and previous enabling activities. The sustainability of project research and analysis is also highly likely, as project outputs will shape future NDCs. Institutional sustainability will be ensured by the active participation of the National Climate Change Council as a coordination body for the transparency platform.

The scope of the MRV system and transparency framework is already quite comprehensive at the national level, as it relates to all sectors and actions related to climate change. However, there may be room to expand the transparency framework into new areas, making links with other indicators and MRV systems, that would support a more integrated transparency framework, which would place the country on a path to a sustainable, resilient and low-emission economy. Linking the MRV system with that of the EU, as Serbia progresses towards the EU membership, would be an example of this type of work. In addition, the project activities that focus on increased capacity for MRV at the local government level have high potential for replication. Local governments face barriers to environmental management in many sectors, and the skills and resources provided by this project can serve as important examples for capacity strengthening in other sectors. Finally, there is also additional potential to scale up and/or replicate project activities through regional peer exchanges and regional capacity-building, because the exchange of experiences among the countries in the region can bring additional benefits to climate change policy and action planning under the NDCs, supporting more rigorous ambitions in the participating countries.

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## **VI. PROJECT MANAGEMENT**

### **Cost efficiency and effectiveness**

This project contributes to Serbia's commitments under the UNFCCC to enable the country to address climate change considerations (mitigation of GHG emissions and reduction of vulnerability to climate change). Several elements of the project promote cost efficiency. First, the project will promote efficiency by building on work that has already been done to establish a legislative and regulatory framework for transparency. Second, the project will reduce the cost of key analytical work over time by increasing the capacity of experts in Serbia to conduct key analyses (e.g. damage and loss estimates and cost-benefit analysis for climate-related policies and measures) rather than relying on international experts. Third, the project will reduce costs and increase efficiency over the long term by generating data that can be used to inform policy-making. More robust projections and economic analyses will provide policy-makers in Serbia with the information necessary to avoid costly mitigation or adaptation policies that may not be supported by evidence.

Finally, improving the alignment of climate policy with DRR policy will reduce duplication and inefficiency in both of those sectors. There is also evidence that actions in these sectors can generate economic returns and are therefore cost-effective. A 2018 review of the literature on climate change adaptation and DRR suggests that "Economic returns associated with climate resilient development are reported in the literature as positive for the overwhelming majority of sources reviewed (i.e. BCRs [benefit-cost ratios] in excess of 3:1 and in some cases as high as 50:1) (Savage, 2015). Projects across all sectors report positive returns, including in disaster risk reduction, social protection and livelihoods, resilient infrastructure and public goods, and climate smart agriculture." The report also notes that "...reviews of CBA [cost-benefit analysis] for DRR find that there are sizeable returns to DRR (see Shreve & Kelman, 2014; Mechler, 2016:1). Mechler estimates average global DRR benefits of about 4 times the costs in terms of avoided and reduced losses

(2016: 3). Venton (2018) argues the evidence is strong that investing in DRR and resilience yields economic benefits greater than costs.”<sup>7</sup>

### **Project management**

The project will be implemented by the Ministry of Environmental Protection under the NIM modality, with UNDP support. This also means that the Ministry will provide office space for the project and its personnel. The Ministry of Environmental Protection is also responsible for coordination of implementation of other climate change-related projects, including the UNDP-GEF Enabling Activity to support the compilation of the Third National Communication and the Second Biennial Update Report and projects on climate-related monitoring and reporting funded by the EU IPA funds. The Climate Change Unit of the Ministry will ensure that this project is implemented in close synergy with these projects as well as with activities related to implementation and monitoring of the National Climate Change Strategy and Action Plan for Serbia.

A detailed description of roles and responsibilities of project partners and management is provided in Section IX of this document.

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<sup>7</sup> Price, R. (2018). Cost Effectiveness of Disaster Risk Reduction and Climate Change. K4D Helpdesk Report. Brighton, UK: Institute of Development Studies: 2.

## VII. PROJECT RESULTS FRAMEWORK

<b>This project will contribute to the following Sustainable Development Goal (s):</b> <i>SDG 13: Take urgent action to combat climate change and its impacts</i>					
<b>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document:</b> <i>By 2020, there are improved capacities to combat climate change and manage natural resources and communities are more resilient to the effects natural and man-made disasters</i>					
<b>This project will be linked to the following output of the UNDP Strategic Plan: 2.3.1 Data and risk-informed development policies, plans, systems and financing incorporate integrated and gender-responsive solutions to reduce disaster risks, enable climate change adaptation and mitigation, and prevent risk of conflict</b>					
	<b>Objective and Outcome Indicators</b>	<b>Baseline</b>	<b>Mid-term Target</b>	<b>End of Project Target</b>	<b>Data Collection Methods and Risks/Assumptions</b>
<p><b>Project Objective:</b> The development objective of the project is to shift Serbia towards a low-carbon and climate resilience development pathway by mainstreaming and integrating climate change considerations into development strategies and sector-based policy frameworks; ensuring continuity in institutional and technical capacity building; and sustaining these policies and measures with a routine mechanism for climate change monitoring, reporting and verification.</p>	<p><u>Objective Indicator 1 (CBIT TT Indicator 3): Quality of MRV Systems</u></p> <p><i>Rubric based on CBIT tracking tool (10-point scale)*</i></p>	5	6	8	<p>Project documentation; structured interviews with project stakeholders</p> <p>Risks: Lack of available data or access to data.</p> <p>Assumptions: Existing data generation systems will remain functional and accessible</p>
	<p><u>Objective indicator 2 (CBIT TT indicator 5): Qualitative Assessment of Institutional Capacity for Transparency-Related Activities</u></p> <p><i>Rubric based on CBIT tracking tool (4-point scale)**</i></p>	2	3	4	<p>Project documentation; structured interviews with project stakeholders</p> <p>Risks: Insufficient attention to CC issues on the part of the Government due to other pressing concerns will hinder project implementation.</p> <p>Assumptions: Continuous engagement with government partner and multi-stakeholder climate change via the Project Board and other meetings</p>
	<p><u>Objective Indicator 3: Number of direct project beneficiaries</u></p> <p><b>Of that group, number of women</b></p>	0	50 direct beneficiaries, of whom 40 are women	150 direct beneficiaries, of whom 100 are women	<p>Project documentation (training reports and participant evaluations)</p> <p>Risks: If women are underrepresented in government positions, their participation in project activities may be lower.</p> <p>Assumptions: Participatory approaches to project activities that support equal participation of men and women</p>
		N.A.			

	<p><u>Objective Indicator 4 (CBIT TT indicator 4):</u>  <b>Status of Convention obligations on reporting, including mitigation contribution</b></p>	<p><i>Currently, Serbia has submitted its Second NC and its First BUR</i></p>	<p><i>By the end of Q6, the Second BUR will have been submitted to the UNFCCC</i></p>	<p><i>By the end of Q12, the Third NC and an updated version of the NDC will have been submitted to the UNFCCC</i></p>	<p><i>TNC, SBUR, updated NDCs</i></p> <p>Risks: Implementation delays could jeopardize the incorporation of information into upcoming UNFCCC reporting.</p> <p>Assumptions: A combined management approach to the CBIT MSP and the Enabling Activity that allows the two projects to be coordinated.</p>
<p><b>Component/Outcome 1</b>  National transparency capacity for tracking NDC progress from mitigation activities is strong</p>					
<p><b>Output 1.1:</b> Institutional and technical capacities for transparency of mitigation in relevant sectors improved</p>	<p><b>Number of users trained on mitigation-related aspects of the national MRV system</b></p> <p><b>Level of participation in the MRV system</b></p> <p><b>Degree to which domestic MRV system informs policies and reporting related to mitigation</b></p>	<p><i>18 gov. employees currently directly involved in the climate change mitigation related reporting (namely NCs/BuRs related reporting) and preparing for the EC related reporting obligations – e.g. under the MMR</i></p> <p><i>Elements of the reporting system have been developed, but the system is not operational.</i></p> <p><i>N/A</i></p>	<p><i>By the end of Q6, least 35 people have been trained on mitigation aspects of the new MRV system (and of those, at least 60 % are women).</i></p> <p><i>By the end of Q6, database access and use of mitigation information is observed in at least 2 government agencies</i></p> <p><i>By the end of Q6, mitigation information from the database to be used to inform national reporting, i.e. to be used for improvement of national CC related legislation</i></p>	<p>By the end of Q12, at least 60 people have been trained on mitigation aspects of the new MRV system (and of those, at least 60% are women).</p> <p>By the end of Q12, database access and use of mitigation information is observed in at least 5 government agencies</p> <p>By Q12, mitigation information from the database has been used to inform international reporting (e.g. the BUR and revised NDCs).</p>	<p>Registration sheets; training documentation; project reports; surveys; official reporting documents (NDCs, TNC, SBUR)</p> <p>Risks: Project stakeholders may lack time or interest for meaningful participation in training.</p> <p>Assumptions:  Government officials will be interested in participating actively in training on the system.  The BUR will be submitted on schedule.  The revision/update of the NDC will take place by Q12 of the project.</p>

<b>Component/ Outcome 2</b> National transparency capacity for tracking NDC progress from adaptation activities is strong					
<b>Output 2.1:</b> institutional and technical capacities for transparency of adaptation in relevant sectors improved	<b>Number of users trained on adaptation-related aspects of the national MRV system (gender-disaggregated)</b>	<i>18 gov. employees currently directly involved in the climate change adaptation related reporting (namely NC/BuR-related reportings) and preparing for the EC related reporting obligations</i>	<i>By the end of Q6, at least 35 people have been trained on adaptation aspects of the new MRV system (and of those, at least 60% are women).</i>	By the end of Q12, at least 60 people have been trained on adaptation aspects of the new MRV system (and of those, at least 60% are women).	Registration sheets; training documentation; project reports; surveys; official reporting documents (NDCs, TNC, SBUR)
	<b>Level of participation in the MRV system</b>		<i>By the end of Q6, database access and use of mitigation information is observed in at least 2 government agencies</i>		Risks: Project stakeholders may lack time or interest for meaningful participation in training.
	<b>Degree to which domestic MRV system informs policies and reporting related to CC adaptation</b>	N/A	<i>By the end of Q6, adaptation information from the database to be used to inform national reporting, i.e. to be used for improvement of national CC related legislation</i>	By the end of Q12, database access and use of adaptation information is observed in at least 5 government agencies	By Q12, adaptation information from the database has been used to inform national reporting (e.g. the 3NC and revised NDCs).
<b>Component/ Outcome 3</b> An MRV system for the NDC, including financing for institutions, local communities and businesses, is in place					
<b>Output 3.1:</b> Domestic MRV system for updating NDCs completed, including MRV to	<b>Number of stakeholders in local governments and businesses trained on the national MRV system (gender-disaggregated)</b>	Local governments and businesses have not received	By Q6, at least 25 local governments have been trained in MRV system and reporting on the	By Q12, at least 65 local governments have been trained in in MRV	Registration sheets; training documentation; project reports; surveys; official reporting documents (NDCs, TNC, SBUR)



<p>support stakeholders' engagement.</p>	<p><b>Level of participation in the MRV system by local governments and businesses</b></p> <p><b>Degree to which domestic MRV system informs policies and reporting related to capacity needs, technology transfer, and support received related to climate change and policy documents such as the NDCs</b></p>	<p>training on climate change MRV</p> <p>Local governments and businesses do not provide data on support received or climate change activities to the Government of Serbia.</p> <p>No standardized system for continuous MRV for aspects reporting on capacity needs, technology transfer, and support received related to climate change.</p>	<p>CCM and CCA related data and activities</p> <p>By Q6, at least 25 local governments are reporting data on CCM and CCA in energy, waste management, transport and water management sectors.</p> <p>By Q6, at least 64 businesses have been trained on MRV requirements and reporting obligations.</p> <p>All trainings will have taken active steps to ensure equal access to and participation in training by women</p> <p><i>By the end of Q6, database access and use of information for transparency reporting other than mitigation and adaptation information is observed in at least 9 government agencies</i></p> <p><i>By the end of Q6, information on capacity development and support received for climate change projects systematically collected and</i></p>	<p>system and reporting on the CCM and CCA related data and activities</p> <p>By Q12, at least 25 local governments are reporting data on CCM and CCA in majority of sectors, in accordance with the national MRV framework</p> <p>By Q12, at least 128 businesses have been trained on MRV requirements and reporting obligations.</p> <p>All trainings will have taken active steps to ensure equal access to and participation in training by women</p> <p>By the end of Q12, database access and use of information for transparency reporting other than mitigation and adaptation information is observed in at</p>	<p>Risks: Project stakeholders may lack time or interest for meaningful participation in training.</p> <p>Assumptions:</p> <p>The BUR will be submitted on schedule. The revision/update of the NDC will take place by Q12 of the project.</p>
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			available in the database.	least 18 government agencies	
<b>Output 3.2:</b> National GHG inventories improved	<b>Availability of country-specific emission factors</b>	Serbia lacks country-specific emission factors for thermal power plants, industry, agriculture, and LULUCF	By Q6, at least 2 emission factors have been developed for Serbia's GHG inventory	By Q12, information on capacity development and support received for climate change projects from the database has been used to inform national reporting (e.g. the SBUR and revised NDCs).	Project reports; MRV system documentation and operational manuals; official reporting documents (NDCs, TNC, SBUR)
	<b>Scope of estimate of carbon sinks</b>	Estimates of carbon sinks are not comprehensive	By Q6, estimates of carbon sinks in Serbia have been broadened to include soil carbon and litter	By Q12, at least 5 country-specific emission factors have been developed for thermal power plants, selected industrial sectors, agriculture, and LULUCF	Risks: Sufficient data will be available and accessible to the experts developed emission factors to undertake the additional estimates.
	<b>Use of country-specific emission factors in reporting</b>	The SNC and FBUR use a limited number of country-specific emission factors	N.A.	By Q12, expanded estimates of carbon sinks have been incorporated into reporting under the TNC	Assumptions: The emission factors and estimates used will be incorporated into UNFCCC reporting documents The BUR will be submitted on schedule. The revision/update of the NDC will take place by Q12 of the project.
			N.A.	By Q12, all of the country-specific emission factors developed have	

		The SNC and FBUR make limited estimates of carbon sinks.		been incorporated into reporting under the TNC	
<b>Output 3.3: NDC Capacity Built through Peer Exchanges</b>	<b>Availability of peer exchanges</b>	Support for peer exchanges on NDCs is ad hoc and limited.	By Q6, at least 3 peer exchanges have taken place.	By Q9, at least 5 peer exchanges have taken place.	Project documentation; participant evaluations and questionnaires / interviews as necessary.
	<b>Degree to which peer exchange learning is applied</b>	N.A.	Most or nearly all participants report benefits from participation in post-exchange questionnaires (immediate ex post and three months later).	Nearly all or all participants report benefits from participation in follow-up questionnaires (immediate ex post and three months later).	Risks: Project stakeholders may lack time or interest for meaningful participation in peer exchanges  Assumptions:  Government partners will have sufficient time and interest for meaningful participation in the exchanges.
<b>Component/ Outcome 4</b> Knowledge Management and M&E					
	<b>Level of dissemination of knowledge products produced by the project</b>	N.A.	Findings from the project have been presented internally within UNDP at the CO and regional level	Findings from the project have been presented internally at the country, regional, and global level and at a relevant international forum (e.g. COP side event, international conference).	Project documentation; presentations and publications  Risks: Insufficient involvement of decision makers in collecting sector-specific data necessary for preparing and disseminating knowledge products  Assumptions: Knowledge products will remain accessible to decision-makers and the broader public through Serbia's national climate change website.
	<b>Level of compliance with project M&amp;E plan</b>	N.A.	M&E and adaptive management applied to project in response to needs, mid-term evaluation conducted, and its findings extracted	By the end of the project, a final evaluation has been conducted, and its results and lessons learned have been made available	External evaluations, Project Board Minutes  Risks: Frequent changes of the Government structures in the Country leading to permanent deviations from the project plan.  Assumptions: M&E and adaptive management resulting in improved quality of activities and adjustment of implementation plans to secure achievement of projected targets.

	<b>Absolute levels of awareness / capacity, and relative changes in awareness / capacity of project beneficiaries by gender</b>	<i>An initial CC &amp; Gender study for Serbia was prepared within the SNC, as a general review, but it does not include deep gender-related analysis.</i>	Absolute awareness levels and relative changes in awareness among project beneficiaries do not differ significantly between women and men participating in capacity strengthening activities	Absolute awareness levels and relative changes in awareness among project beneficiaries do not differ significantly between women and men participating in capacity strengthening activities	Structured interviews / questionnaires
					Risks: Turnover of government staff could reduce the number of trained people in key positions  Assumptions: Training materials are available to new staff as needed; future staff members are trained by other employees at their agencies or by counterparts at other agencies.

\* The rating for CBIT Indicator 3 is based on a 10-point scale specified by the GEFSec as follows:

1. Very little measurement is done, reporting is partial and irregular and verification is not there;
2. Measurement systems are in place, but data is of poor quality and/or methodologies are not very robust; reporting is done only on request or to limited audience or partially; verification is not there;
3. Measurement systems are in place for a few activities, improved data quality and methodologies, but not cost or time efficient; wider access to reporting is still limited and information is partial; verification is rudimentary/non-standardized;
4. Measurement systems are strong in a limited set of activities however, analyses still needs improvement; periodic monitoring and reporting although not yet cost/time efficient; verification is only upon specific request and limited;
5. Measurement systems are strong for a limited set of activities and periodically report on key GHG related indicators i.e. mainstreamed into the activity implementation; reporting is improved through few pathways but limited audience and formats; verification limited;
6. Measurement systems are strong and cover a greater percentage of activities – feedback loops exist even if they are not fully functioning; reporting is available through multiple pathways and formats but may not be complete/transparent; verification is done through standard methodologies but only partially (i.e. not all data is verifiable);
7. Measurement regarding GHG is broadly done (with widely acceptable methodologies), need for more sophisticated analyses to improve policy; Reporting is periodic with improvements in transparency; verification is done through more sophisticated methods even if partially;
8. Strong standardized measurements processes established for key indicators and mainstreamed into institutional policy implementation; reporting is widely available in multiple formats; verification is done for a larger set of information;
9. Strong Monitoring and Reporting systems – robust methodologies, cost effective and efficient, periodic; verification done to a significant degree;
10. Strong MRV systems that provide quality GHG-related information in a transparent, accurate and accessible to a wide audience, with feedback of information from MRV flowing into policy design and implementation.

\*\* The rating for CBIT Indicator 5 is based on a 4-point scale specified by the GEFSec as follows:

1. No designated transparency institution to support and coordinate the planning and implementation of transparency activities under Article 13 of the Paris Agreement exists.
2. Designated transparency institution exists, but with limited staff and capacity to support and coordinate implementation of transparency activities under Article 13 of Paris Agreement. Institution lacks authority or mandate to coordinate transparency activities under Article 13.
3. Designated transparency institution has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities under Article 13 of the Paris Agreement. Institution has authority or mandate to coordinate transparency activities under Article 13. Activities are not integrated into national planning or budgeting activities.
4. Designated transparency institution(s) has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities. Institution(s) has clear mandate or authority to coordinate activities under Article 13 of the Paris Agreement, and activities are integrated into national planning and budgeting activities.

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## VIII. MONITORING AND EVALUATION (M&E) PLAN

The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results.

Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the UNDP POPP and UNDP Evaluation Policy. The UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the GEF M&E policy and other relevant GEF policies<sup>8</sup>.

In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.<sup>9</sup>

### **M&E Oversight and monitoring responsibilities:**

Project Manager: The Project Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Project Manager will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The Project Manager will inform the Project Board, the UNDP Country Office and the UNDP-GEF RTA of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

The Project Manager will develop annual work plans based on the multi-year work plan included in Annex A, including annual output targets to support the efficient implementation of the project. The Project Manager will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. ESMP, gender action plan, stakeholder engagement plan etc.) occur on a regular basis.

Project Board: The Project Board will take corrective action as needed to ensure the project achieves the desired results. The Project Board will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the Project Board will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

Project Implementing Partner: The Implementing Partner is responsible for providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes, and it is aligned with national systems so that the data used and generated by the project supports national systems.

UNDP Country Office: The UNDP Country Office will support the Project Manager as needed, including through annual supervision missions. The annual supervision missions will take place according to the

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<sup>8</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)

<sup>9</sup> See [https://www.thegef.org/gef/gef\\_agencies](https://www.thegef.org/gef/gef_agencies)

schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and Project Board within one month of the mission. The UNDP Country Office will initiate and organize key GEF M&E activities including the annual GEF PIR, the *independent mid-term review* and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.

The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the UNDP POPP. This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Manager.

The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF Independent Evaluation Office (IEO).

UNDP-GEF Unit: Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.

**Audit**: The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.<sup>10</sup>

#### **Additional GEF monitoring and reporting requirements:**

Inception Workshop and Report: A project inception workshop will be held within two months after the project document has been signed by all relevant parties to, amongst others:

- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
- b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
- c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
- d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; SESP, Environmental and Social Management Plan and other safeguard requirements; project grievance mechanisms; the gender strategy; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
- g) Plan and schedule Project Board meetings and finalize the first year annual work plan.

The Project Manager will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the Project Board.

GEF Project Implementation Report (PIR): The Project Manager, the UNDP Country Office, and the UNDP-GEF Regional Technical Adviser will provide objective input to the annual GEF PIR covering the reporting

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<sup>10</sup> See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

period July (previous year) to June (current year) for each year of project implementation. The Project Manager will ensure that the indicators included in the project results framework are monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

The PIR submitted to the GEF will be shared with the Project Board. The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

GEF Focal Area Tracking Tools: The following GEF Tracking Tool(s) will be used to monitor global environmental benefits: The baseline/CEO Endorsement GEF Focal Area Tracking Tool(s) will be submitted as Annex B to this project document as deemed necessary by the GEF and will be updated by the Project Manager/Team (not the evaluation consultants hired to undertake the MTR or the TE) (indicate other project partner, if agreed) and shared with the mid-term review consultants and terminal evaluation consultants before the required *review/evaluation* missions take place. The updated GEF Tracking Tool(s) will be submitted to the GEF along with the completed Mid-term Review report and Terminal Evaluation report.

Independent Mid-term Review (MTR): An independent mid-term review process will begin approximately 18 months into project implementation, before the second PIR has been submitted to the GEF, and the MTR report will be submitted to the GEF in the same year as the 2<sup>nd</sup> PIR. The MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project's duration. The terms of reference, the review process and the MTR report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report will be available in English and will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and approved by the Project Board.

Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The Project Manager will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-

GEF Regional Technical Adviser and will be approved by the Project Board. The TE report will be publicly available in English on the UNDP ERC.

The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

**Final Report:** The project's terminal PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

**Mandatory GEF M&E Requirements and M&E Budget:**

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>11</sup> (US\$)		Time frame
		GEF grant	Co-financing	
<b>Inception Workshop</b>	UNDP Country Office	USD 5,000	None	Within two months of project document signature
<b>Inception Report</b>	Project Manager	None	None	Within two weeks of inception workshop
<b>Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP</b>	UNDP Country Office	None	None	Quarterly, annually
<b>Risk management</b>	Project Manager Country Office	None	None	Quarterly, annually
<b>Monitoring of indicators in project results framework</b>	Project Manager	None		Annually before PIR
<b>GEF Project Implementation Report (PIR)</b>	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
<b>NIM Audit as per UNDP audit policies</b>	UNDP Country Office	3 years @ USD 4,000 / year, or USD 12,000		Annually or other frequency as per UNDP Audit policies
<b>Lessons learned and knowledge generation</b>	Project Manager Consultant	USD 4,000		Annually
<b>Monitoring of environmental and social risks, and corresponding management plans as relevant</b>	Project Manager UNDP Country Office			On-going
<b>Stakeholder Engagement Plan</b>	Project Manager UNDP Country Office			On-going
<b>Gender Action Plan</b>	Project Manager UNDP Country Office UNDP GEF team			On-going
<b>Addressing environmental and social grievances</b>	Project Manager UNDP Country Office			On-going

<sup>11</sup> Excluding project team staff time and UNDP staff time and travel expenses.



GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>11</sup> (US\$)		Time frame
		GEF grant	Co-financing	
Project Board meetings	Project Board UNDP Country Office Project Manager			At minimum annually
Supervision missions	UNDP Country Office	None <sup>12</sup>		Annually
Oversight missions	UNDP-GEF team	None <sup>12</sup>		Troubleshooting as needed
GEF Secretariat learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF team	None		To be determined.
Mid-term GEF Tracking Tool to be updated by	Project Manager			Before mid-term review mission takes place.
Independent Mid-term Review (MTR) and management response	UNDP Country Office and Project team and UNDP-GEF team	USD 17,000		Between 1 <sup>st</sup> and 2 <sup>nd</sup> PIR.
Terminal GEF Tracking Tool to be updated by	Project Manager			Before terminal evaluation mission takes place
Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response	UNDP Country Office and Project team and UNDP-GEF team	USD 17,000		At least three months before operational closure
Translation of MTR and TE reports into English	UNDP Country Office	n.a.		As required. GEF will only accept reports in English.
<b>TOTAL indicative COST</b> Excluding project team staff time, and UNDP staff and travel expenses		<i>USD 55,000</i>		

## IX. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

UNDP is the GEF Implementing Agency for this project. The proposed project is consistent with the UNDP's mandate on promoting environmental protection, while recognizing the need to sustainably manage resources through capacity building and encouraging broader multi-sectoral participation of stakeholders. Given UNDP's recognized role in capacity development and based on the fact that UNDP is the implementing agency for a large portfolio of GEF-funded climate change projects, the Government of Serbia has requested UNDP's assistance in the design and implementation of this project. The project is fully in compliance with the comparative advantages matrix approved by the GEF Council.

Roles and responsibilities of the project's governance mechanism: The project will be implemented following UNDP's national implementation modality (NIM with UNDP support), according to the Standard Basic Assistance Agreement between UNDP and the Government of the Republic of Serbia, and the Country Programme. All procurement and financial transactions will be governed by applicable UNDP regulations under NIM.

The **Implementing Partner** for this project is the Ministry of Environmental Protection. The Implementing Partner is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of project resources.

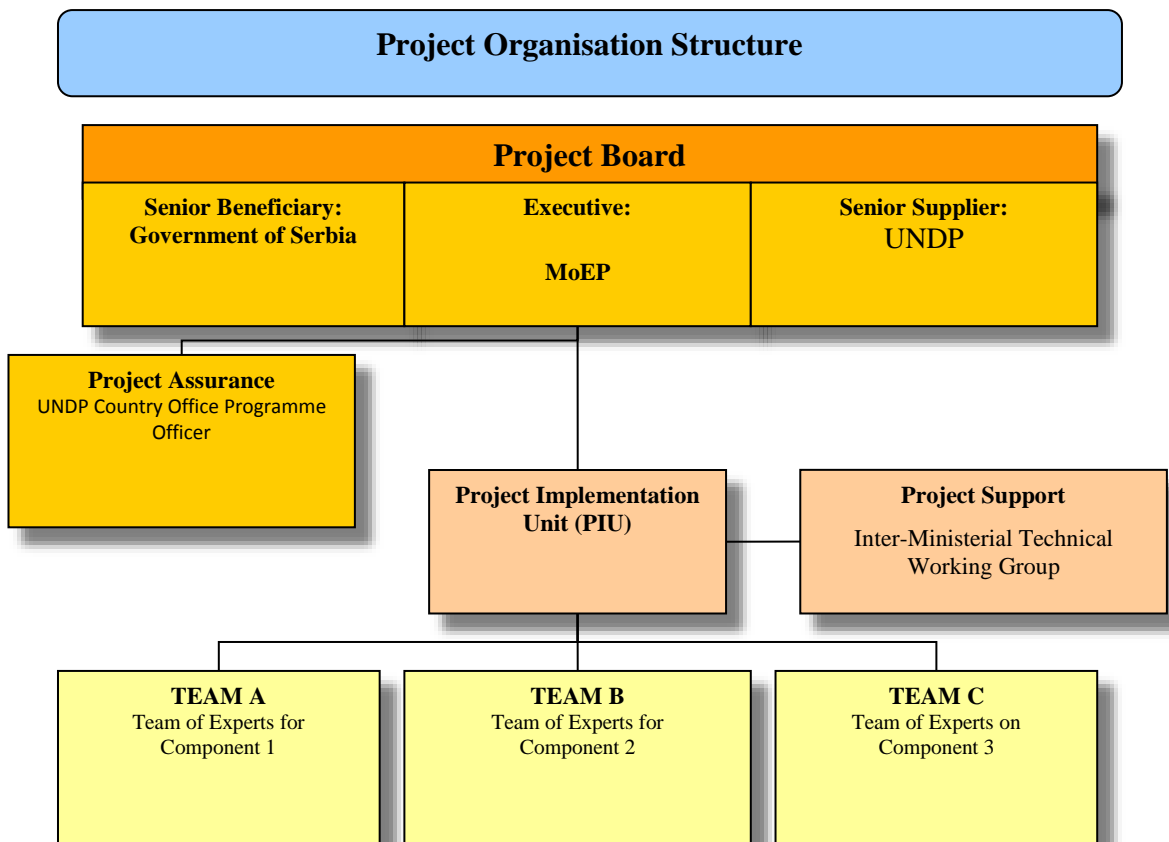
<sup>12</sup> The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

The Implementing Partner is responsible for:

- Approving and signing the multiyear workplan;
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.

The Ministry of Environmental Protection will appoint the **National Project Director (NPD)** among officials from the Ministry of Environmental Protection at a level that provides enough authority and insight to represent the counterpart's ownership and authority over the project, to assume responsibility for achieving project objectives and ensure accountability to the head of the Implementing Partner and UNDP for the use of project resources and achieving outputs.

The project organisation structure is as follows:



**Project Board:** The Project Board (also called Project Steering Committee) is responsible for making by consensus, management decisions when guidance is required by the Project Manager, including recommendations for UNDP/Implementing Partner approval of project plans and revisions, and addressing any project level grievances. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Programme Manager.

Specific responsibilities of the Project Board include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;

- Address project issues as raised by the project manager;
- Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- Agree on project manager's tolerances as required;
- Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Appraise the annual project implementation report, including the quality assessment rating report; make recommendations for the workplan;
- Provide ad hoc direction and advice for exceptional situations when the project manager's tolerances are exceeded; and
- Assess and decide to proceed on project changes through appropriate revisions.

The composition of the Project Board must include the following roles:

**Executive:** The Executive is an individual who represents ownership of the project who will chair the Project Board. This role can be held by a representative from the Government Cooperating Agency or UNDP.

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The executive has to ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities of the Executive include: (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organisation structure and logical set of plans;
- Set tolerances in the AWP and other plans as required for the Project Manager;
- Monitor and control the progress of the project at a strategic level;
- Ensure that risks are being tracked and mitigated as effectively as possible;
- Brief relevant stakeholders about project progress;
- Organize and chair Project Board meetings.

**Senior Supplier:** The Senior Supplier is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role. The Senior Supplier is:

Specific Responsibilities of the Senior Supplier (as part of the above responsibilities for the Project Board) include:

- Make sure that progress towards the outputs remains consistent from the supplier perspective;
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management;
- Ensure that the supplier resources required for the project are made available;
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

**Senior Beneficiary:** The Senior Beneficiary is an individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the

Board is to ensure the realization of project results from the perspective of project beneficiaries. The Senior Beneficiary role is held by a representative of the government or civil society. The Senior Beneficiary is:

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness, the role should not be split between too many people.

Specific Responsibilities of the Senior Beneficiary (as part of the above responsibilities for the Project Board) include:

- Prioritize and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes;
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
- Impact of potential changes is evaluated from the beneficiary point of view;
- Risks to the beneficiaries are frequently monitored.

**Project Manager:** The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Project Board.

Specific responsibilities of the Project Manager include:

- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Plan the activities of the project and monitor progress against the project results framework and the approved annual workplan;
- Mobilize personnel, goods and services, training and micro-capital grants to initiative activities, including drafting terms of reference and work specifications, and overseeing all contractors' work;
- Monitor events as determined in the project monitoring schedule plan/timetable, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments or reimbursement using the fund authorization and certificate of expenditures;
- Monitor financial resources and accounting to ensure the accuracy and reliability of financial reports;
- Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- Capture lessons learned during project implementation;
- Prepare the annual workplan for the following year; and update the Atlas Project Management module if external access is made available.
- Prepare the GEF PIR and submit the final report to the Project Board;
- Based on the GEF PIR and the Project Board review, prepare the AWP for the following year.
- Ensure the mid-term review process is undertaken as per the UNDP guidance, and submit the final MTR report to the Project Board.

- Identify follow-on actions and submit them for consideration to the Project Board;
- Ensure the terminal evaluation process is undertaken as per the UNDP guidance, and submit the final TE report to the Project Board;

**Project Assurance:** UNDP provides a three-tier supervision, oversight and quality assurance role – funded by the GEF agency fee – involving UNDP staff in Country Offices and at regional and headquarters levels. Project Assurance must be totally independent of the Project Management function. The quality assurance role supports the Project Board and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. This project oversight and quality assurance role is covered by the GEF Agency.

Governance role for project target groups:

The Ministry of Environmental Protection (MoEP) will establish NC/BUR Project Support Unit, i.e. technical working group comprised of representatives of all relevant stakeholders: Ministry of Agriculture, Forestry and Water Management (including Forestry Directorate and Water Directorate), Ministry of Environmental Protection (including the Serbian Environmental Protection Agency,); Ministry of Mining and Energy; Ministry of Economy; Ministry of Construction, Transport and Infrastructure; National Statistics Office of Serbia; Ministry of Education and Science; Ministry of Health; Nature Protection Institute of Serbia; Republic Hydromet Service of Serbia, in order to ensure the achievement of optimal sectoral coverage and relevance of the actions and enhance their sustainability.

Additionally, the National Climate Change Committee will monitor development and implementation of national policies on climate change, sectoral policies and other planning documents, in terms of consistency with national climate change policies and propose measures for improving and coordinating policies, measures and actions in this field, as well as development of 2BUR and 3NC. Members of the Committee are representatives of all relevant ministries and other governmental institutions, as well as representatives of universities and scientific institutions.

UNDP Direct Project Services as requested by Government (if any):

The UNDP, as GEF Agency for this project, will provide project management cycle services for the project as defined by the GEF Council. In addition, the Government of Serbia may request UNDP direct services for specific projects, according to its policies and convenience. The UNDP and Government of Serbia acknowledge and agree that those services are not mandatory and will be provided only upon Government request. If requested the services would follow the UNDP policies on the recovery of direct costs. These services (and their costs) are specified in the Letter of Agreement (Annex J). As is determined by the GEF Council requirements, these service costs will be assigned as Project Management Cost, duly identified in the project budget as Direct Project Costs. Eligible Direct Project Costs should not be charged as a flat percentage. They should be calculated on the basis of estimated actual or transaction-based costs and should be charged to the direct project costs account codes: “64397- Direct Project Costs – Staff” and “74596-Direct Project Costs – General Operating Expenses (GOE)

UNDP country office shall provide administrative and financial support services to project execution as described below:

<b>Support services</b>	<b>Schedule for the provision of the support services</b>
1. Identification and/or recruitment of project personnel: * Project Manager * Project Assistant	In the first three months of the project implementation
2. Services related to Procurement (including but not limited to): - Procurement of goods - Procurement of Services:	Throughout project implementation when applicable

<b>Support services</b>	<b>Schedule for the provision of the support services</b>
Consultant recruitment Advertising Short-listing & Selection Contract Issuance	
3. Services related to finance (including but not limited): Payments Travel management	On-going throughout project implementation

Support services will be provided by UNDP based on signed Letter of Agreement between UNDP and the Ministry of Environmental Protection. Direct project costs charged against the GEF-financed project budget will not exceed the amount approved by GEF Secretariat for these services, which is \$20,000.

Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information: In order to accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord proper acknowledgement to the GEF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy<sup>13</sup> and the GEF policy on public involvement<sup>14</sup>.

## **X. FINANCIAL PLANNING AND MANAGEMENT**

The total cost of the project is USD 1.2 million. This is financed through a GEF grant of, in cash co-financing to be administered by UNDP and in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources and the cash co-financing transferred to UNDP bank account only.

Parallel co-financing: The actual realization of project co-financing will be monitored during the mid-term review and terminal evaluation process and will be reported to the GEF. The planned parallel co-financing will be used as follows:

<b>Co-financing source</b>	<b>Co-financing type</b>	<b>Co-financing amount</b>	<b>Planned Activities/Outputs</b>	<b>Risks</b>	<b>Risk Mitigation Measures</b>
UNDP	In-kind	68,000		None	Not applicable
Ministry of Environmental Protection	In-kind	32,000	...	None	Not applicable

UNDP Direct Project Services as requested by Government:

These services are detailed in Annex J.

Budget Revision and Tolerance: As per UNDP requirements outlined in the UNDP POPP, the project board will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the Project Board. Should the following deviations occur, the Project Manager and UNDP Country Office will seek the approval of the UNDP-GEF team to ensure accurate reporting to the GEF: a) Budget re-allocations among components in the project with amounts involving 10% of the total project grant or more; b) Introduction of new budget items/or components that exceed 5% of original GEF allocation.

Any over expenditure incurred beyond the available GEF grant amount will be absorbed by non-GEF resources (e.g. UNDP TRAC or cash co-financing).

<sup>13</sup> See [http://www.undp.org/content/undp/en/home/operations/transparency/information\\_disclosurepolicy/](http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/)

<sup>14</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)

Refund to GEF: Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.

Project Closure: Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP.<sup>15</sup> On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-GEF Executive Coordinator.

Operational completion: The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review Project Board meeting. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed. At this time, the relevant parties will have already agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.

Transfer or disposal of assets: In consultation with the NIM Implementing Partner and other parties of the project, UNDP programme manager (UNDP Resident Representative) is responsible for deciding on the transfer or other disposal of assets. Transfer or disposal of assets is recommended to be reviewed and endorsed by the project board following UNDP rules and regulations. Assets may be transferred to the government for project activities managed by a national institution at any time during the life of a project. In all cases of transfer, a transfer document must be prepared and kept on file<sup>16</sup>.

Financial completion: The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) The Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

The project will be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

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<sup>15</sup> see <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

<sup>16</sup> See [https://popp.undp.org/\\_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP\\_POPP\\_DOCUMENT\\_LIBRARY/Public/PPM\\_Project%20Management\\_Closing.docx&action=default](https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Management_Closing.docx&action=default).

## XI. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan			
Atlas Proposal or Award ID:	00114257	Atlas Primary Output Project ID:	00112366
Atlas Proposal or Award Title:	GEF Transparency Framework in RS		
Atlas Business Unit	SRB10		
Atlas Primary Output Project Title	GEF Transparency Framework in RS		
UNDP-GEF PIMS No.	6211		
Implementing Partner	Ministry of Environmental Protection (MoEP)		

GEF Outcome/Atlas Activity	Responsible Party/Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount 2019 (USD)	Amount 2020 (USD)	Amount 2021 (USD)	Total (USD)	See Budget Note:
OUTCOME 1:  Strengthening national transparency capacities for tracking NDC progress from mitigation activities	UNDP	62181	GEF	71200	International Consultants	6,500	13,000		19,500	[1]
				71300	Local Consultants	48,000	48,000	45,000	141,000	[2]
				71600	Travel	2,600	5,000	4,000	11,600	[3]
				72100	Contractual services - Companies	20,000	35,000	33,000	88,000	[4]
				72400	Communic & Audio Visual Equip	4,000	3,000	3,000	10,000	[5]
				72800	Information Technology equipment	5,000			5,000	[6]
				74200	Audio Visual & Print Prod Costs	3,000	3,000	5,000	11,000	[7], [31]
				74500	Miscellaneous	300	300	300	900	[8]
				75700	Training, workshop, conference	3,000	5,000	5,000	13,000	[9]
					<b>Total Outcome 1</b>	<b>92,400</b>	<b>112,300</b>	<b>95,300</b>	<b>300,000</b>	
OUTCOME 2:  Strengthening national transparency capacities for NDC tracking	UNDP	62181	GEF	71200	International Consultants	4,000	35,000	19,500	58,500	[10], [29]
				71300	Local Consultants	53,500	60,000	60,000	173,500	[11]
				71600	Travel	4,000	6,500	6,500	17,000	[12], [30]
				72100	Contractual services - Companies	25,000	25,000	3,500	53,500	[13]



and reporting on vulnerability and adaptation				72400	Communic & Audio Visual Equip	6,100	6,300	6,300	18,700	[14], [31]
				72500	Office Supplies	1,500			1,500	[15]
				72800	Information Technology equipment	20,000	10,000	8,000	38,000	[16]
				74200	Audio Visual & Print Prod Costs	4,500	4,500	2,400	11,400	[17]
				74500	Miscellaneous	300	300	300	900	[18]
				75700	Training, workshop, conference	7,000	10,000	10,000	27,000	[19], [33]
					<b>Total Outcome 2</b>	<b>125,900</b>	<b>157,600</b>	<b>116,500</b>	<b>400,000</b>	
OUTCOME 3:  Development of MRV system for NDC, including financing for institutions, local communities and businesses	UNDP	62181	GEF	71200	International Consultants	19,500	6,500	1,400	27,400	[20]
				71300	Local Consultants	42,000	42,000	42,000	126,000	[21]
				71600	Travel	3,000	3,000	3,000	9,000	[22]
				72100	Contractual services - Companies	25,000	25,000		50,000	[23]
				72400	Communic & Audio Visual Equip	5,350	5,350	6,000	16,700	[24]
				72800	Information Technology equipment	20,000	3,000	3,000	26,000	[25]
				74200	Audio Visual & Print Prod Costs	4,000	4,000	4,000	12,000	[26]
				74500	Miscellaneous	300	300	300	900	[27]
				75700	Training, workshop, conference	7,000	5,000	8,000	20,000	[28]
				74100	Professional Services	4,000	4,000	4,000	12,000	[32]
					<b>Total Outcome 3</b>	<b>130,150</b>	<b>98,150</b>	<b>71,700</b>	<b>300,000</b>	
Project management unit	UNDP	62181	GEF	71400	Contractual Services - Individ	26,250	26,750	27,000	80,000	[34]
				64397	Direct project costs – Staff	5,000	4,500	5,000	14,500	[35]
				74596	Direct Project Costs – General Operating Expenses (GOE)	2,000	2,000	1,500	5,500	[36]
					<b>Total Management</b>	<b>33,250</b>	<b>33,250</b>	<b>33,500</b>	<b>100,000</b>	
<b>PROJECT TOTAL</b>						<b>381,700</b>	<b>401,300</b>	<b>317,000</b>	<b>1,100,000</b>	

<b>Summary of Funds:</b>	Amount (Year 1)	Amount (Year 2)	Amount (Year 3)	Total
<b>GEF</b>	381,700	401,300	317,000	1,100,000
<b>UNDP (in-kind)</b>	28,000	20,000	20,000	68,000
<b>MoEP (in kind)</b>	10,000	10,000	12,000	32,000
<b>TOTAL</b>	419,700	431,300	349,000	1,200,000

**Project Budget Notes:**

<b>Atlas Category</b>	<b>Atlas Code</b>	<b>Budget Notes</b>
[1] International Consultants	71200	IC/ Chief Technical Advisor to provide general technical support to the project team, to oversee the impact assessment of sectoral policies and measures on GHG emissions in Serbia, to prepare the Lessons Learned Report, and to provide guidance on outreach and communications IC/ Transparency Expert to provide guidance and input at the Inception Workshop and to the Secretariat of the Climate Change Council on the proposed institutional platform for transparency and to oversee the work of local consultants on the recommendations for the institutional platform, including on training on the NDC tracking
[2] Local Consultants	71300	Climate Change Specialist to develop the proposal for the institutional platform on transparency (in conjunction with the IC / Transparency Expert) Climate Finance Specialist to undertake an assessment of financial resources needed to implement the NDC Web Designer for the oversight of the E-tool and development of the ToRs and tendering documents for the E-tool Gender Specialist to provide support to provide input on reports and recommendations and to provide recommendations on ensuring equitable participation in the institutional platform and other project bodies
[3] Travel	71600	Travel expenses for attending relevant workshops and network meetings; travel expenses for promotion of the revised NDC Travel and DSA for international consultants
[4] Contractual Services, Companies	72100	Contract to assess the impact of sectoral policies and measures on GHG emissions in Serbia Contract to develop sector-based indicators for monitoring NDC progress Contract to develop climate change mitigation scenarios based on the NDC Contract to develop the E-tool for monitoring NDC progress
[5] Communications and Audio Visual Equipment	72400	Communications and AV equipment in support of NDC trainings and in support of outreach regarding the NDC Translation / proofreading
[6] Information Technology Equipment	72800	PCs and laptops for Project Management Unit
[7] Audio Visual Print Production Costs	74200	Production of Printed Project Information Sheets and Other Outreach Materials for Stakeholders and the Public Translation / proofreading
[8] Miscellaneous	74500	Miscellaneous expenses
[9] Training, Workshop, Conference	75700	Relevant trainings and meetings for sectoral agencies on the tracking tool. Relevant trainings and meetings for the members of the institutional platform and sub-groups as necessary

[10] International Consultants	71200	IC / Chief Technical Advisor for quality control IC / Adaptation Expert to oversee the sectoral vulnerability assessment and provide support and backstopping to project consultants and contractors on adaptation-related research and analysis and to provide information and analysis in support of introducing a nexus approach to CCM and CCA activities
[11] Local Consultants	71300	Climate Finance Specialist to undertake a cost-benefit analysis of sectoral adaptation measures and to develop an adaptation MRV plan DRR specialist to provide recommendations on DRR-related data in the new MRV system and linkages with DRR data collection and reporting and to develop loss and damage estimates. Training Specialist to conduct a training assessment among stakeholders, develop a training plan for the project, particularly on the E-tools developed, and organize training of trainers where necessary Gender Specialist to provide input on reports and recommendations, particularly on gender-differentiated impacts and vulnerability in the analysis conducted under Outputs 2.1.1 and 2.1.2 Web Designer for the oversight of the E-tool and development of the ToRs and tendering documents for the E-tool
[12] Travel	71600	Travel expenses for attending relevant training workshops Travel and DSA for international consultants
[13] Contractual Services – Companies	72100	Contract for sectoral vulnerability assessment Contract for assessment report on weather tracking and the integration of the MRV system into the Government's DRR activities
[14] Communication and Audio Visual Equipment	72400	Communications and AV equipment in support of trainings and meetings Translation / proofreading
[15] Supplies	72500	Office supplies and sundries
[16] Information Technology Equipment	72800	Servers and computers supporting the E-tool and IT equipment used for the delivery of training.
[17] Audio Visual and Print Production Costs	74200	Training materials and resource manuals, particularly on NDC tracking training and MRV procedures relevant to DRR
[18] Miscellaneous	74500	Miscellaneous expenses
[19] Training, Workshop, Conference	75700	Relevant trainings and meetings for reporting agencies and other stakeholders (e.g. DRR institutions) Consultations in support of the development of the training plan
[20] International Consultants	71200	IC / Chief Technical Adviser for quality control IC / Transparency Expert to oversee the establishment of an integrated MRV system to track NDC progress and to provide guidance and inputs on international best practice to the consultants and contractors working on the E-tool for NDC tracking and its components.
[21] Local Consultants	71300	Information Systems Consultants. Prepare a Technical Reference Manual for the NDC tracking system. Provide support to project stakeholders in using the E-tool on NDC tracking, identifying areas for improvement, and supporting refinement of the system. Provide guidance on data storage and archiving, protocols on the use of open source and proprietary data, GDPR compliance, and data security. CC specialist. Conduct a needs assessment in the area of reporting on financial support received and provide recommendations for improving reporting to the information systems and web design consultant. MRV specialist. Provide support to project team on work with the business community and local communities on reporting. Web Designer. Oversee the Information Systems consultants and provide input to the project team on drafting ToRs and tendering documentation for the design and launch of the E-tool for NDC tracking.
[22] Travel	71600	Travel expenses for attending relevant training workshops and travel related to work with local communities

		Travel to support peer-to-peer exchanges Travel and DSA for international consultants
[23] Contractual Services – Companies	72100	Contract for the design and programming of the E-tool for the business sector and local communities Contract for the development of a country-specific emission factor (for thermal power plants) Contract for the development of a country-specific emission factor (for organic carbon and litter)
[24] Communication and Audio Visual Equip	72400	Communication in support of the launch of the tracking system for the NDC Translation / proofreading
[25] Information Technology Equipment	72800	Servers and supporting equipment for the E-tool
[26] Audio Visual and Print Prod Costs	74200	Reporting result sharing with UNFCCC, GEF CBIT, and stakeholders at the country level
[27] Miscellaneous	74500	Miscellaneous expenses
[28] Training workshop conference	75700	Support for technical working group meetings Relevant trainings and meetings for the National Committee on Climate Change Trainings and workshops for the private sector and for local communities
[29] International Consultants	71200	IC / Evaluator for Mid-Term Evaluation IC/ Evaluator for Terminal Evaluation
[30] Travel	71600	Travel and DSA for Mid-Term and Terminal Evaluators
[31] Communication and Audio Visual Equipment	72400	Promotion of Lessons Learned Reports and Best Practice, particularly through Southeastern Europe
[32] Contractual Services - Audit	74100	Project Financial Audits as per UNDP and GEF requirements
[33] Training workshop conference	75700	Project inception workshop
[34] Service Contract	71400	Support for Project Manager and Project Assistant salaries
[35] Direct Project Costs -- Staff	64397	UNDP Direct Project Services as requested by Government will be charged in line with the <u>GEF rules on DPCs</u>
[36] Direct Project Costs – General Operating Expenses (GOE)	74596	UNDP Direct Project Services as requested by Government will be charged in line with the <u>GEF rules on DPCs</u> .

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## **XII. LEGAL CONTEXT**

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by the Ministry of Environmental Protection (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

Any designations on maps or other references employed in this project document do not imply the expression of any opinion whatsoever on the part of UNDP concerning the legal status of any country, territory, city or area or its authorities, or concerning the delimitation of its frontiers or boundaries.

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## **XIII. RISK MANAGEMENT**

Consistent with the Article III of the SBAA, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the Implementing Partner’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner’s obligations under this Project Document.

The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml).

Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).

The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds. The Implementing Partner will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at [www.undp.org](http://www.undp.org).

In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

**Note:** The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in

connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

The Implementing Partner shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled “Risk Management Standard Clauses” are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

The UNDP risk log, which identifies risks and describes how they will be mitigated, is attached as Annex H of this document.

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#### **XIV. MANDATORY ANNEXES**

- A. Multi year Workplan (see template below)
- B. GEF Tracking Tool (s) at baseline
- C. Overview of technical consultancies/subcontracts (see example template below)
- D. Terms of Reference for Project Board, Project Manager, Chief Technical Advisor and other positions as appropriate (see example template below)
- E. UNDP Social and Environmental and Social Screening Template (SESP) and Environmental and Social Management Plan (ESMP) for moderate and high-risk projects
- F. Stakeholder Engagement Plan
- G. Gender Analysis and Action Plan
- H. UNDP Risk Log (to be completed by UNDP Country Office, see template below)
- I. Results of the capacity assessment of the project implementing partner and HACT micro assessment (to be completed by UNDP Country Office)
- J. Additional agreements: such as cost sharing agreements, project cooperation agreements signed with NGOs (where the NGO is designated as the “executing entity”), letters of financial commitments, GEF OFP letter, GEF PIFs and other templates for all project types, LOA with the government in case DPCs are applied should be attached.
- K. UNDP Project Quality Assurance Report (to be completed in UNDP online corporate planning system by UNDP Country Office, does not need to be attached as separate document)

#### **Annex A: Multi Year Work Plan**

Task	Year 1				Year 2				Year 3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Outcome 1.1												
1.1.1												
1.1.2												
1.1.3												
1.1.4												
1.1.5												
1.1.6												
Outcome 2.1												
2.1.1												
2.1.2												

2.1.3												
2.1.4												
2.1.5												
Outcome 3.1												
3.1.1												
3.1.2												
3.1.3												
3.1.4												
Outcome 3.2												
3.2.1.												
3.2.2												
Outcome 3.3												
3.3.1												
Outcome 4 (M&E, KM)												



**Annex B: GEF Tracking Tool at baseline**

The GEF-7 core indicators table has been provided in the accompanying GEF CEO Endorsement Request as per GEF guidance GEF/C.54/11/Rev.02 (28 June, 2018) regarding project tracking.

GEF-6 tracking tool indicators for the project are provided under the Project Results Framework in Section VII of this document.

## Annex C: Overview of Technical Consultancies

Consultant	Time Input	Tasks, Inputs and Outputs
<b>For Project Management and Monitoring &amp; Evaluation</b>		
<b>Local / National contracting</b>		
Project Manager	Over 3 years	The Project Manager (PM), together with the CTA will be responsible for the overall management of the project, including the mobilization of all project inputs, supervision over project staff, consultants and sub-contractors. See the full TOR in Annex D for details.
Project Assistant	Over 3 years	The Project Assistant (PA) will provide support to the PM and other members of the core team.
<b>International / Regional and global contracting</b>		
IC / Evaluator(s)	2 weeks at the project mid-point (Q9); 2 weeks at the conclusion of the project (Q12)	The Evaluator(s) will be responsible for conducting the external Mid-Term Evaluation and external Terminal Evaluation in line with all Government, UNDP, and GEF requirements and will design and carry out evaluation missions and submit evaluation reports. Both evaluations will provide project ratings, and the Mid-Term Evaluation will provide recommendations to the Project Team regarding implementation, while the Terminal Evaluation will summarize best practices and lessons learned. The same evaluator may be selected for both evaluations, but it is not necessary to do so.
<b>For Technical Assistance</b>		
<b>Local / National contracting</b>		
Climate Specialist	Intermittent over 2 years	Under close supervision of the Project Manager (PM), the Climate Specialist will perform the following tasks: <ul style="list-style-type: none"> <li>Under Outcome 1: develop the proposal for the institutional platform on transparency (in conjunction with the IC / Transparency Expert)</li> <li>Under Outcome 3: Conduct a needs assessment in the area of reporting on financial support received and provide recommendations for improving reporting to the information systems and web design consultant.</li> </ul>
Climate Finance Specialist	Intermittent over 2 years	Under close supervision of the PM, the Climate Finance Specialist will conduct the following tasks: <ul style="list-style-type: none"> <li>Under Outcome 1, undertake an assessment of financial resources needed to implement the NDC</li> <li>Under Outcome 2, undertake a cost-benefit analysis of sectoral adaptation measures Technical Advisor(s) to develop an adaptation MRV plan</li> </ul>
MRV Specialist	Intermittent over 2.5 years	Under close supervision of the PM, the MRV Specialist will perform the following task: <ul style="list-style-type: none"> <li>Under Outcome 3, provide support to project team on work with the business community and local communities on reporting.</li> </ul>
Information Systems Consultant	Intermittent from Q3	Under close supervision of the PM and close coordination with the Web Designer and IT contractors, the Information Systems Consultant will perform the following tasks under Outcome 3: <ul style="list-style-type: none"> <li>Prepare a Technical Reference Manual for the NDC tracking system.</li> <li>Provide support to project stakeholders in using the E-tool on NDC tracking</li> <li>Identify areas for improvement and support the refinement of the system.</li> <li>Provide guidance on data storage and archiving, protocols on the use of open source and proprietary data, GDPR compliance, and data security.</li> </ul>
Web Designer	Intermittent from Q3	Under close supervision of the PM and close coordination with the Information systems consultant and IT contractors, the Web Designer will conduct the following tasks: <ul style="list-style-type: none"> <li>Provide oversight of the E-tools on mitigation, adaptation, and NDC tracking</li> <li>Develop the ToRs and tendering documents for the E-tool</li> <li>Advise on the interface between the National Climate Change website and the MRV system as appropriate</li> </ul>
Gender Specialist	Intermittent from Years 1-3	Under close supervision of the PM, the specialist will perform the following tasks: <ul style="list-style-type: none"> <li>Monitor progress in implementation of the project Gender Action Plan ensuring that targets are fully met and the reporting requirements are fulfilled;</li> </ul>

Consultant	Time Input	Tasks, Inputs and Outputs
		<ul style="list-style-type: none"> <li>• Coordinate implementation of all gender-related work;</li> <li>• Review the Gender Action Plan annually, and update and revise corresponding management plans as necessary;</li> <li>• Support the PM to ensure reporting, monitoring and evaluation fully address the gender issues of the project;</li> <li>• Under Outcome 1, provide support to provide input on reports and recommendations and to provide recommendations on ensuring equitable participation in the institutional platform and the tracking mechanism</li> <li>• Under Outcome 2, provide input on reports and recommendations, particularly on gender-differentiated impacts and vulnerability in the analysis conducted under Outputs 2.1.1 and 2.1.2</li> </ul>
DRR Specialist	Intermittent in Years 1-2	<p>Under close supervision of the PM, the specialist will perform the following tasks:</p> <ul style="list-style-type: none"> <li>• Under Outcome 2, provide recommendations on DRR-related data in the new MRV system and linkages with DRR data collection and reporting.</li> <li>• Under Outcome 2, develop loss and damage estimates.</li> </ul>
Training Specialist	Intermittent from Years 1-3	<p>Under close supervision of the PM, the specialist will conduct the following tasks:</p> <ul style="list-style-type: none"> <li>• Conduct a training assessment among stakeholders</li> <li>• Develop a training plan for the project, particularly on the E-tools developed</li> <li>• Develop training curriculum and/or supervise the development of curriculum by contractors</li> <li>• Organize training of trainers where necessary</li> </ul>
<b>International / Regional and global contracting</b>		
Climate Change Chief Technical Adviser (IC/CTA)	Inception workshop; on-call assistance from Years 1-3	<p>The CTA will provide international perspective, strategic guidance and technical inputs to the implementation of activities under Outputs 1-3, including guidance on outreach and communications and drafting a Lessons Learned report in support of project M&amp;E/KM efforts. In addition, the CTA will perform the following tasks:</p> <ul style="list-style-type: none"> <li>• Under Outcome 1, the CTA will oversee the impact assessment of sectoral policies and measures on GHG emissions in Serbia, and will provide guidance on outreach and communications</li> <li>• Under Outcome 2, the CTA will review all major reports and guidance materials produced by project consultants and contractors (including adaptation analysis, vulnerability and loss analysis, cost-benefit analysis, and sectoral reviews) for quality and will provide suggestions and feedback as necessary. The CTA will also provide a technical review of recommendations by the IC / Adaptation expert regarding a nexus approach to CCM and CCA activities</li> <li>• Under Outcome 3, the CTA will review and provide inputs as necessary to all reports and guidance materials related to the NDC tracking tool and related analysis.</li> </ul>
IC/Transparency Expert	Intermittent in Years 1-3	<ul style="list-style-type: none"> <li>• Under Outcome 1, the IC/Transparency Expert will provide guidance and input at the Inception Workshop and to the Secretariat of the Climate Change Council on the proposed institutional platform for transparency and to oversee the work of local consultants on the recommendations for the institutional platform, including on training on the NDC tracking</li> <li>• Under Outcome 3, the IC/Transparency Expert will oversee the establishment of an integrated MRV system to track NDC progress and to provide guidance and inputs on international best practice to the consultants and contractors working on the E-tool for NDC tracking and its components.</li> </ul>
IC/Adaptation Expert	Intermittent in Years 1-2	<ul style="list-style-type: none"> <li>• Under Outcome 2, the IC/Adaptation Expert will oversee the sectoral vulnerability assessment and provide support and backstopping to project consultants and contractors on adaptation-related research and analysis and will provide information and analysis in support of introducing a nexus approach to CCM and CCA activities</li> </ul>

## **Annex D: Terms of Reference**

### ***Project Board***

#### Duties and responsibilities:

The Project Board (PB) is the main body to supervise the project implementation in accordance with UNDP rules and regulations and referring to the specific objectives and the outcomes of the project with their agreed performance indicators.

The main functions of the Board are:

General monitoring of project progress in meeting its objectives and outcomes and ensuring that they continue to be in line with national development objectives;

To provide strategic leadership and serve as a coordination mechanism for various partners involved;

Facilitating co-operation between the different Government entities, whose inputs are required for successful implementation of the project, ensuring access to required information and resolving eventual conflict situations faced during project implementation when trying to meet its outcomes and stated targets;

Supporting the elaboration, processing and adoption of the required institutional, legal and regulatory changes to support the project objectives and overcoming of related barriers;

Facilitating and supporting other measures to mitigate the identified risks to project success;

Approving annual work plans and progress reports, the first plan being prepared at the outset of project implementation;

Approving project management arrangements; and

Approving any amendments to be made in the project strategy that may arise due to changing circumstances, after careful analysis and discussion of the ways to solve problems.

#### Project board structure and reimbursement of costs:

Project Board will be chaired by the National Project Director (NPD) appointed by the Ministry of Environmental Protection and will include representatives from UNDP. The final list of the PB members will be completed at the outset of project operations and presented in the Inception Report. New members into the PB or participants into the Board meetings during the project implementation can be invited at the decision of the Board, by ensuring, however, that the Board will remain sufficiently lean to facilitate its effective operation.

The costs of the Board's work shall be considered as the Government's or other project partners' voluntary in-kind contribution to the project and shall not be paid separately by the project. They are also not eligible to receive any monetary compensation from their work as experts or advisers to the project.

#### Meetings:

It is suggested that the Board will have regular meetings, twice a year, or more often if required. A tentative schedule of the Board meetings will be agreed as a part of the annual work plans, and all representatives of the Board should be notified again in writing 14 days prior to the agreed date of the meeting. The meeting will be organized provided that the executing agency, UNDP and at least 2/3 of the other members of the Board can confirm their attendance. The project manager shall distribute all materials associated with the meeting agenda at least 5 working days in prior to the meeting.

*These terms of reference will be finalized during the Project Inception Workshop.*

### ***National Project Director***

As a representative of the project's main Government Implementing Partner, the main duties and responsibilities of the National Project Director (NPD) include:

Supervise and guide the project implementation directly as well as through the Project Board meetings chaired by the NPD by reviewing and commenting project progress reports by meeting at regular intervals with the project manager;

- Coordinate the project activities with those of the Government and provide guidance on policy issues;
- Certifying the annual and, as applicable, quarterly work plans, financial reports and ensuring their accuracy and consistency with the project document and its agreed amendments;
- Taking the lead in developing linkages with the relevant authorities at national, provincial and governmental level and supporting the project in resolving any institutional or policy related conflicts that may emerge during its implementation.

### **Technical Advisory Committee (TAC)**

*The TAC will provide technical advice and inputs relating to project implementation and will be chaired by the PD with support from the PM. The members of the TAC will consist of representatives from Government Ministry, UNDP, other relevant government agencies, research and educational organizations, NGOs (including WCS), technical experts and other relevant stakeholders to be agreed by the Project Board. Technical experts may be invited in to discuss specific issues. Indicative Terms of Reference are as follows. These will be reviewed by the Project Board during project inception and may be extended as necessary.*

- *Review planned activities and ensure that they are technically sound and that, wherever possible, there is integration and synergy between the various project components during planning and implementation;*
- *Promote technical coordination between institutions, where such coordination is necessary and where opportunities for synergy and sharing of lessons exist;*
- *Provide technical advice and guidance on specific issues concerning illegal and unsustainable wildlife trade;*
- *Share information on project progress and lessons learned with related stakeholders at the national level;*
- *The TAC or a subset of its members may be requested to undertake specific project-related tasks, such as preparing or reviewing analytical reports, strategies and action plans, etc.;*
- *Other tasks as indicated by the Project Board*

### **Project Implementation Unit**

#### Main tasks and responsibilities:

The Project Implementation Unit (PIU) is envisaged to be hosted by the Ministry of Environmental Protection. The PIU will be in charge for managing the overall project implementation, consolidation of work plans and project papers, preparation of quarterly progress reports, reporting to the project supervisory bodies, and supervising the work of the project experts and other project staff. The PIU will include Project Manager (PM), and Project Assistant (PA). The PM will also closely coordinate project activities with relevant government institutions and hold regular consultations with other project stakeholders and partners, including UNDP's relevant projects. Under the direct supervision of the PM, the Project Assistant will be responsible for administrative and financial issues and will get support from the existing UNDP administration.

#### Expected results and related milestones

For the duration of the UNDP-GEF project, the expected results and related milestones of the PIU will be consistent with those of the Project Results Framework.

More detailed job descriptions and expected qualifications of the staff of the PIU are presented below.

### **Project Manager**

#### Duties and responsibilities:

Overall project coordination and implementation, consolidation of work plans and project documentation, preparation of quarterly progress reports, reporting to the project supervisory bodies, coordinating work of the PIU and supervising the work of the project experts and project staff and operational project management in accordance with the Project Document and the UNDP guidelines and procedures for National Implementation Modality (NIM) with UNDP support, including:

- Supervision of the overall project implementation on both organizational and substantive matters— ensuring that budgeting, planning and general monitoring of the project are done in accordance with the Project Document and the rules and procedures established in the UNDP Programming Manual;

Preparation of annual work plans and budgets with close monitoring of the overall project progress and conducting required adaptive management to reflect the changing circumstances and eventually emerging new opportunities;

Managing the procurement and the project budget under the supervision of UNDP to assure timely involvement of local and international experts, organisation of training and public outreach, purchase of required equipment etc. in accordance with UNDP rules and procedures;

Submission of required progress reports to the Project Board and the UNDP in accordance with the section "Monitoring and Evaluation" of the Project Document (with a close linkage to required adaptive management actions);

Oversight to ensure that M&E procedures comply with the requirements of the Government, the UNDP Country Office, and UNDP-GEF;

Oversight of the implementation of the project's M&E plan, including periodic appraisal of the Project's Results Framework with reference to actual and potential project progress and results;

Oversight and coordination of the implementation of the stakeholder engagement plan and development of adjustments as needed;

Supervision and coordination of the contracts of the experts working for the project;

Ensuring otherwise successful completion of the project in accordance with the stated outcomes and performance indicators summarized in the project's results framework and within the planned schedule and budget.

#### Expected Qualifications:

Advanced university degree and at least 10 years of professional experience in the specific areas the project is dealing with;

Advanced knowledge and record of experience in dealing with the climate change mitigation and adaptation portfolio of projects;

Advanced knowledge of the international and EU climate change related policies and practice, UNFCCC requirements, Serbia's climate change policy, legal framework and practice;

Experience in managing projects of similar complexity and nature, including demonstrated capacity to manage people and actively explore new, innovative implementation and financing mechanisms to achieve the project objective;

Good analytical and problem-solving skills and the related ability for adaptive management with prompt action on the conclusion and recommendations coming out from the project's regular monitoring and self-assessment activities as well as from periodic external evaluations;

Ability and demonstrated success to work in a team, to effectively organise it, and to motivate its members and other project counterparts to effectively work towards the project's objective and expected outcomes;

Good communication skills and competence in handling project's external relations at all levels; and

Fluent/good knowledge of Serbian and English languages.

Familiarity and prior experience with the UNDP and GEF requirements and procedures is a strong asset.

#### ***Project Assistant***

##### Duties and responsibilities

Supporting the project manager and other members of the core project team in the implementation of the project, including:

Responsibility for logistics and administrative support of project implementation, including administrative management of the project budget, required procurement support, etc.

Controlling project expenditures and maintaining up to date business and financial documentation, in accordance with UNDP and other project reporting requirements;

Organizing meetings, business correspondence and other communications with the project partners;

Provide logistical support to the project team and consultants working for the project in organising duty travel, meetings, workshops etc;

Ensuring effective dissemination of, and access to, information on project activities and results and supporting the project outreach and PR activities in general, including keeping the project web-site up to date in co-operation with the project's IT and communication experts;

Monitoring project progress and participating in the production of progress reports ensuring that they meet the necessary reporting requirements and standards;

Managing the projects files and supporting the project team in preparing the required financial and other reports required for monitoring and supervision of the project progress; and

Supporting the project team in managing contracts, in organizing correspondence and in ensuring effective implementation of the project otherwise.

Expected Qualifications:

University degree and at least 5 years of related professional experience;

Familiarity with international and EU climate change related policies and practice, UNFCCC requirements, Serbia's climate change policy, legal framework and practice;

Fluent/good knowledge of the Serbian and English languages;

Demonstrated experience and success of work in a similar position;

Good administration and interpersonal skills;

Ability to work effectively under pressure.

Good computer skills

Familiarity and prior experience with UNDP and GEF requirements and procedures, as well as climate change portfolio of projects are considered as an asset

**Annex E: UNDP Social and Environmental Screening Procedure and plans as needed**

As a GEF-funded CBIT project, this project is exempt from the SESP requirement, and therefore the SESP pre-screening is not required.



## Annex F: Stakeholder Engagement

### F.1: Stakeholder Consultation Process

The stakeholder consultation under the MSP preparation took place in two parts: 1) A voluntary questionnaire related to project context and design was distributed to a broad spectrum of stakeholders in July 2018; and 2) An in-person consultation was conducted in Belgrade at UNDP House on July 24, 2018 co-chaired by the Ministry of Environmental Protection and UNDP.

The list of participants of the in-person consultation is provided below as Table F1. In addition, representatives of two organizations (the Serbian Environmental Protection Agency and the Faculty of Physics under the Institute of Meteorology) also submitted written responses to the questionnaire in addition to participating in the July 24th consultation.

Table F.1: Stakeholder Consultation Participants

	Name	Institution
1	Dragana Radulovic	Ministry of Environmental Protection, Climate Change Dept.
2	Pedja Simić	Ministry of Environmental Protection, Waste Management Dept
3	Bojana Đurović	Ministry of Environmental Protection
4	Dejan Lekić	Serbian Environmental Protection Agency
5	Nebojša Redžić	Serbian Environmental Protection Agency
6	Ana Vignjević	Republic Statistical Office, Group for Environmental Statistics
7	Dušan Dobričić	Ministry of Agriculture, Forestry and Water Management
8	Ljiljana Uzelac	Ministry of Public Administration and Local Self-Government
9	Vladimir Djurdjevic	Faculty of Physics, University of Belgrade
10	Vladimir Nikolic	Ministry of Agriculture, Forestry and Water Management
11	Tijana Zivanovic	Ministry of Construction, Transport and Infrastructure
12	Miroslav Ignjatović	Chamber of Commerce and Industry of Serbia, Association of Energy and Energy Mining
13	Ljubinka Kaluđerović	Standing Conference of Towns and Municipalities
14	Aleksandar Macura	RES Foundation, CSO
15	Duška Dimović	WWF
16	Predrag Jovic	FAO Project Coordinator
A1	Miroslav Tadic	UNDP Serbia
A2	Snežana Ostojic-Paunovic	UNDP Serbia
A3	Susan Legro	Independent Consultant

A variety of specific capacity needs and gaps were raised during the discussion. Participants in general recognized with appreciation the introduction of electronic communication and exchange of information and data between the institutions and different stakeholders of relevance to the NDCs planning and tracking. CSO representatives welcomed the CBIT project with particular interest and expressed willingness to contribute to

the development of effective and inclusive NDCs MRV system in Serbia. No significant criticisms of the project or its potential impacts that would raise any concerns about project implementation were raised during the consultation.

The discussion and questionnaires were used to enhance information in the background section of this project document. Furthermore, as a result of the consultation, Outcome 3 of the MSP specifically cites the reporting needs of municipalities, and the use of Open Source data where possible has been highlighted under information systems activities under all project outcomes.

## F.2: Stakeholder Engagement Plan

Stakeholders	Responsibility	Anticipated Project Role
<b>Government Institutions</b>		
Ministry of Environmental Protection (MoEP)	Responsible for the overall coordination of climate change policy creation and implementation; UNFCCC Focal Point; responsible for coordination of the transposition and implementation of the EU legislation in the field of environment and climate change. MoEP co-led the stakeholder consultation meeting for the project.	MoEP will serve as the Implementing Partner and coordinating body of the project  MoEP will also facilitate correlation and ensuring synergy between the CBIT project goals and activities of similar projects, such as the NCs/BURs preparation and development of the Climate Change Strategy and Action Plan
Serbian Environmental Protection Agency (SEPA)	SEPA, a government agency that is under the supervision of MoEP, is responsible for coordinating environmental information systems in Serbia. SEPA staff participated actively in the stakeholder consultation for this project.	The project will maintain a two-way flow of information with SEPA, particularly under Output 3.2.
National Climate Change Council (NCCC)	The NCCC was established in 2014 with the aim of monitoring development and implementation of national policies on climate change, sectoral policies and other planning documents to ensure consistency with national climate change policies and propose measures for improving and coordinating policies, measures and actions in this field. Members of the NCCC are representatives of all relevant ministries and other governmental institutions, as well as representatives of universities, scientific institutions and civil society organizations. Several NCCC members participated in the stakeholder consultation.	The NCCC will be used as a basis for creation of "Institutional platform for transparency" and main national coordination body to support preparation of Serbia's robust transparency framework under the Paris Agreement, as well as to validate all project results. It will also involve and facilitate contribution of competent institutions and other stakeholders to the overall MRV system and elaboration of climate change mitigation and adaptation measures into subsequent NDCs and development/upgrade of climate change policies and strategies with this regard.
Other governmental bodies that will directly benefit from the enhanced transparency system	<p>The Ministry of Agriculture, Forestry and Water Management – in charge of monitoring and reporting in key sectors of relevance to climate change mitigation (AFOLU) and adaptation (agriculture, forestry and water management);</p> <p>The Ministry of Mining and Energy – in charge of monitoring and reporting in key sector of relevance to climate change mitigation (energy management, including energy efficiency and renewable energy);</p> <p>The Ministry of Construction, Transport and Infrastructure – in charge of monitoring and reporting in key sectors of relevance to climate change mitigation (transport and construction);</p> <p>The Ministry of Interior – in charge of management of disaster risk reduction and recovery;</p> <p>Hydromet Service of Serbia – the main institution responsible for the provision of climat-related data</p>	<p>The participation of relevant Government institutions in the CBIT project through working groups will be critical to the implementation climate change-related activities. The integration of the different sectors strengthens the institutional and technical capacity of the Government to respond to the transparency requirements of the Paris Climate Agreement and ensures the achievement of optimal sectoral coverage and relevance of the actions and enhance their sustainability.</p> <p>These organizations will also be represented on the project steering committee indirectly through their membership on the NCCC.</p>

Stakeholders	Responsibility	Anticipated Project Role
<p><b>Local self-governments</b></p>	<p>Local self-governments are responsible for implementation of national policies and laws, including in the area of environment and climate change. As the new Law on Climate Change is under development, as well as Climate Change Strategy and Action Plan, there will be significant obligation upon local administration to plan and report on implemented measures and activities in mitigating climate change and adapting to the changing climate conditions.</p> <p>The Ministry of Environmental Protection is investing significant efforts to downscale climate change policy and support local self-governments in planning and implementation. So far, there was no effective mechanism for the collection of information from the local level on climate change mitigation and adaptation measures, thus leaving significant potential out of the climate related reporting and monitoring actions. This gap limits the degree to which the GHG inventories in certain sectors (e.g. waste) can be representative of actual in-country emissions.</p>	<p>Local self-governments will participate actively in the project through training and support provided under Component 3. The project will produce relevant guidance and tool for local self-governments to plan and report on their climate change mitigation and adaptation actions of relevance to NDCs planning and review process.</p> <p>The NDC planning, reporting and monitoring process will also be used to advocate for integration of local self-governments in the entire process.</p> <p>The project will disseminate information to local self-governments on relevant issues through the Standing Conference of Towns and Municipalities, a CSO described in the following section, and through the Ministry of Public Administration and Local Self-Government.</p>
<b>Non-Governmental Organizations</b>		
<p>The business community</p>	<p>The private sector is one of the main stakeholders when it comes to the implementation of climate change-related policies – in particular taking into account its role in mitigating climate change by reducing GHG emissions in relevant industries, energy production/consumption businesses, etc. Some of main representatives of the business community of interest to the project goals are: Electric Power Company of Serbia, Serbian Oil Industry, thermo-power plants, district heating companies, cement industries (such as Lafarge, Kosieric etc.), glass and paper production industries, waste management companies (such as regional waste management centers in larger agglomerations in the cities of Belgrade, Novi Sad, Nis, Subotica, Uzice etc. recycling associations). On the other hand, business community is also very much relevant in the case of successful implementation of the climate change adaptation measures for the purpose of making the economy of the country resilient to changing climate conditions. This is also why their participation in the process of defining the NDCs is important as they are subjects of vulnerability and also one of the main implementing entities.</p> <p>The Chamber of Commerce and Industry of Serbia participated in the stakeholder consultation for the project.</p>	<p>The business community will be directly involved in the project by contributing information to the E-tool developed under Component 3 on measures that have been undertaken to address climate change in Serbia.</p> <p>The project will exchange information and consult with the Chamber of Commerce and Industry as an umbrella organization for distributing information to the business community.</p>
<p>Academia</p>	<p>Academia and the research community is responsible for provision of adequate information and data that are of relevance to climate change mitigation and adaptation planning, as well as for tracking progress in implementation of NDCs. Some of the relevant representatives of the research</p>	<p>Academia and the research community will participate actively in the provision of data in all project components and in the inventory improvements that will be undertaken under Component 3.</p>

Stakeholders	Responsibility	Anticipated Project Role
	<p>community are those from the University of Belgrade - Faculty of Physics with associated institute of Meteorology, Faculty of Agriculture, Institute of Nature Protection, Public Health Institute etc.</p> <p>The University of Belgrade Faculty of Physics participated in the stakeholder consultation.</p>	
Civil Society Organizations (CSOs)	<p>The role of CSOs is related to ensuring the link between the decision makers and citizens. Their particular role is to ensure citizen's participation in the process of creation of NDCs as well as in monitoring and reporting of the achieved targets. There are number of CSOs that are active in climate change advocacy in Serbia (such as Coalition 27 – a group of CSOs that are in particular associated to support Serbia's EU accession process under the negotiating chapter 27 – "Environment and Climate Change.")</p> <p>The Standing Conference of Towns and Municipalities is an association that represents the interests of municipalities in Serbia and provides information, training, and project services to its members. It is the fifth largest association in Serbia by total revenue (as of 2013). The Standing Conference was consulted during the development of the project concept regarding training and awareness raising at the municipal level.</p> <p>The Worldwide Fund for Nature (WWF) works in Serbia primarily on freshwater ecosystems and protected areas but is also active in education for sustainable development.</p> <p>The RES Foundation is a CSO that, among other environmental topics, works on sustainable energy and climate change policy in Serbia.</p> <p>The Standing Conference, WWF, and the RES Foundation all participated in the project stakeholder consultation.</p>	<p>Based on the experience in producing the two national communications and biennial update report, it is understood that the most effective way to address climate change, is to ensure involvement of other stakeholders besides Governmental institutions (academic sector, private sector, NGO sector) in both design and implementation of the climate change related actions through focused discussion and working groups.</p> <p>CSOs will play an important part in the project by disseminating project findings and information regarding the NDC to the public and improve awareness of the SDGs.</p> <p>The project will maintain a two-way flow of information with CSOs and will seek opportunities to present information through their campaigns and events.</p>
Gender partnerships	<p>Under the Enabling Activity for the Second National Communication, the Republic of Serbia produced a study on Gender and Climate Change, which found that men and women faced differing degrees of vulnerability and differing impacts from the adverse effects of climate change.</p> <p>In Serbia, there is a National Coordination body for gender equality, Law on gender equality and a Strategy on gender equality for the period 2016-2020. All these documents provide solid basis for further work on making climate related data, policies and measures gender responsive and sensitive.</p> <p>Several gender- oriented organizations in the Republic of Serbia have added climate and gender</p>	<p>In cooperation with relevant national institutions, such as Ministry of Labour and Social Affairs, UNWOMEN, local CSOs, the CBIT project will apply principles of the "Gender responsive National Communications Toolkit" aimed at providing suggestions and guidance on integrating gender issues into the climate change reporting processes.</p> <p>All components of the project will focus on gender mainstreaming into other transparency elements as per the Paris Climate Agreement and related UNFCCC decisions.</p>

Stakeholders	Responsibility	Anticipated Project Role
	<p>issues into their action agenda. Also, under the UNDP-GEF project “Climate Smart Urban Development Challenge,” which is implemented by the Ministry of Environmental Protection with UNDP support, there is a strong gender dimension aimed at integrating gender considerations into climate-related actions and projects of local and national significance. UNWOMEN has been subcontracted to support implementation of this project component.</p> <p>The Republic Statistical Office also maintains gender-disaggregated statistics and produces a publication “Women and Men in the Republic of Serbia.” The Statistical Office participated in the project stakeholder consultation.</p>	<p>In close coordination with the Ministry of Labour and Social Affairs and the Ministry of Environmental Protection, the project will identify and engage priority sectors and will create sector-specific working groups on gender and climate. An MRV system for transparency for gender/CC in specific sectors is to be developed, and the project will adhere to the Gender Action Plan that is provided in Annex G of the UNDP project document.</p>
<b>Other Donors</b>		
The European Union	<p>Several projects funded by the European Union have initiated a baseline system for MRV under the EU Emissions Trading Directive at SEPA. The initial system was created through an EU Twinning project, “Establishment of a mechanism for the implementation of the MMR.” The project established responsibilities for private and public companies to monitor and report GHG emissions.</p> <p>The EU/IPA-funded project “Development of the Climate Change Strategy with an Action Plan” started in August 2016. The main project objective is identifying possibilities for emission reductions from agriculture, transport, waste and small power plants, according to the requirements of the EU Decision 406/2009/EC.</p> <p>In May 2018, the European Union together with MoEP convened a joint EU-Serbia Talanoa event in Belgrade.</p>	<p>The CBIT project will exchange information with the EU delegation on a regular basis and will integrate the outputs of the Climate Change Strategy and Action Plan into project guidance and training materials and the configuration of the E-tool for reporting.</p>
<b>Other GEF Implementing Agencies</b>		
The Food and Agriculture Organization of the United Nations (FAO)	<p>FAO is currently implementing a four-year GEF project to support the long-term sustainability of forest ecosystems in Serbia. The project will focus on the transformation of the National Forest Inventory.</p> <p>FAO has also provided two-day training workshops for farming communities Serbia on climate change adaptation and disaster risk reduction.</p> <p>FAO participated in the project stakeholder consultation.</p>	<p>The CBIT project will work closely with the FAO project in order to ensure that improved forestry data from the forest inventory is incorporated into MRV and the electronic reporting tools developed under the project.</p>

## Annex G: Gender Analysis and Action Plan

**Project Title:** Establishing Transparency Framework for the Republic of Serbia  
**Project ID Number:** GEF Project ID: 10029 UNDP PIMS Project ID 6211

### I. Introduction

This analysis aims to provide a brief overview of the gender situation in Serbia, identify gender issues that may be relevant to the project, and to examine potential gender mainstreaming opportunities. The analysis was based on available data from studies conducted by the Government of Serbia, donor agencies, and the European Union.

### II. Implementation Capacity and a Transparency Framework

Climate variability and climate impacts in Serbia have been highly visible in recent years. Research indicates that more than 80% of natural disasters in Serbia over the past decade have been related to climate change. In 2014, severe flooding killed 57 people in Serbia and caused an estimated EUR 1.55 billion in damages from flooding in several cities and landslides in the mountains. Disasters such as the 2014 flood and other climate threats reduce human security in the region.

### III. Gender Profile of Serbia

Women comprise 51.3% of a total population of 7,114,393 in Serbia.<sup>17</sup> Serbia's Human Development Index (HDI) as a whole is assessed as "high."<sup>18</sup> It was calculated at 0.745 in 2015, up from 0.726 in 2000, the first year for which country-level values were calculated.

Women have made steady gains in educational achievement over time. For women over the age of 25, 58.4% have some secondary education, as opposed to 73.6% of men. At the highest levels of research, there is only one member of the Serbian Academy of Sciences who is a woman. However, "Not only are more women enrolled in colleges and universities (55%), but women make up a higher percentage of graduates – 61%. In 2009, the number of women and men with doctoral degrees had evened out, and women accounted for 44% of all doctoral and master's degrees and specialists among teaching personnel at universities and colleges."<sup>19</sup>

Employment is a more mixed picture. As of 2014, women's official rate of participation in the labor force was 44.5%, as opposed to an official rate of 75.5% for men, and unemployment fell below 20%. As the 2015 EU Progress Report noted, "...both employment and activity rates have increased. Although some of the new jobs were in the public sector or in informal employment, large gains were observed in registered private employment, especially for women. Most of these jobs, however, went into less paid, low productivity sectors."<sup>20</sup> As the EU 2015 Progress Report concludes, "Women's participation in the labour market as well as the gender pay gap need to be tackled further."<sup>21</sup>

In terms of public participation, as of 2014, women held 34% of seats in Parliament, and there is a Group of Women Parliamentarians. However, as the 2015 EU Progress Report notes, "Although the number of women members of parliament increased to 34 %, women's participation in politics and in the private sector remains very low."<sup>22</sup>

Serbia is a signatory of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW). As a signatory, the country files periodic reports to the Convention and most recently filed a combined second and third periodic report (CEDAW/C/SRB/Q/2-3) in 2013. Under the Millennium Development Goals Initiative, Serbia monitored and reported its progress on MDG3 (Promote Gender Equality

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<sup>17</sup> Source: Eurostat [http://ec.europa.eu/eurostat/statistics-explained/index.php/Europe\\_in\\_figures\\_-\\_Eurostat\\_yearbook](http://ec.europa.eu/eurostat/statistics-explained/index.php/Europe_in_figures_-_Eurostat_yearbook)

<sup>18</sup> UN 2016 (<http://hdr.undp.org/en/composite/GII>). Accessed June 28, 2018.

<sup>19</sup> Đoković – Papić, Dragana et. al., eds. (2011). *Women and Men in the Republic of Serbia*. Belgrade: Statistical Office of the Republic of Serbia.:91.

<sup>20</sup> European Commission (2015). *Commission Staff Working Document: Serbia 2015 Report*. SWD (2015) 211 Final. Brussels: European Commission, 10 November 2015: 25.

<sup>21</sup> Ibid.: 47.

<sup>22</sup> Ibid.: 56.

and Empower Women). As the UN Development Planning Framework for 2016-2020 summarizes the situation, “Years of transition have eroded women’s rights in relation to participation, work and social protection.”<sup>23</sup>

As of February 2018, the European Union found that “Non-discrimination legislation is broadly in line with the European standards, although further alignment with the *acquis* is still needed. In August 2017, a new sector for antidiscrimination policy and improvement of gender equality was established within the Ministry of Labour, Employment, Veterans and Social Affairs. The division of responsibilities between the new sector and the coordination body for gender equality needs to be clarified and an efficient institutional set up with adequate resources needs to be ensured. Concerns remain on the implementation of the national anti-discrimination strategy (2014-2018), which has now expired and a new one has not been adopted yet.” The report also finds that “The Statistical Office data on the position of women and men in Serbia show wide gender gaps in the areas of labour, time use, political participation, property and access to resources. Women with disabilities, older, rural and Roma women continued to be among the most discriminated against in society. The role of the media in perpetuating gender stereotypes and minimising gender-based violence remains a source of concern. Greater efforts should be made to change social attitudes to the roles and responsibilities of women and men.”<sup>24</sup>

#### *Gender Development Index (GDI)*

In 2014, UNDP introduced a new measure into its Human Development Reports, the GDI. This measure is based on the sex-disaggregated Human Development Index, which is defined as a ratio of the female to the male HDI. As such, the GDI is meant to identify gender inequalities in three basic dimensions of human development: health (measured by female and male life expectancy at birth), education (measured by female and male expected years of schooling for children and mean years for adults aged 25 years and older); and command over economic resources (measured by female and male estimated GNI per capita). The 2014 female HDI value for Serbia was 0.757 compared to 0.784 for males, resulting in a GDI value of 0.176. This ranking places Serbia in 38<sup>th</sup> place out of 188 countries.<sup>25</sup>

*Table G1: GDI Inputs for Serbia*

Life Expectancy at Birth		Expected Years of Schooling		Mean Years of Schooling		GNI per capita		HDI values		F-M Ratio
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	GDI Value
77.7	72.1	14.9	13.9	9.8	11.2	9,697	14,799	0.757	0.784	0.969

Source: UNDP 2015.

The UNDP Human Development Report also calculated a Gender Inequality Index (GII). This index incorporates labor force participation, maternal mortality, adolescent birth rate, parliamentary participation, and labor force participation. In this category, Serbia ranked 40<sup>th</sup> with a GII of 0.185.<sup>26</sup>

#### *Social Institutions and Gender Index (SIGI)*

This measure, which was developed by the OECD, results in a score between 0 and 1, with “0” being the lowest level of discrimination, and “1” being the highest. OECD clusters 108 countries based on their scores into five levels of discrimination: very low, low, medium, high and very high. In 2014, the last year for which the SIGI was calculated, its value for Serbia was 0.0097, which placed it in the category of “very low” levels of discrimination.<sup>27</sup>

#### *Global Gender Gap Index (GGGI)*

The Global Gender Gap Index (GGGI) of the World Economic Forum examines the gap between men and women in four categories: economic participation and opportunity, educational attainment, health and survival;

<sup>23</sup> UN DPF: 14.

<sup>24</sup> European Commission (2018). *Serbia 2018 Report. Accompanying the document “Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, and the Committee of the Regions: 2018 Communication on EU Enlargement Policy.*

<sup>25</sup> UN 2016 (<http://hdr.undp.org/en/composite/GDI>). Accessed June 28, 2018.

<sup>26</sup> UNDP 2016 (<http://hdr.undp.org/en/composite/GII>). Accessed June 28, 2018.

<sup>27</sup> OECD 2016. <http://www.oecd.org/dev/development-gender/BrochureSIGI2015-web.pdf> Accessed June 28, 2018.

and political empowerment.<sup>28</sup> Out of 142 countries, Serbia's rank increased from 54<sup>th</sup> in 2014 to 40<sup>th</sup> in 2017. Its rank based on GGGI in 2017 is explained below:

Table G2: GGGI for Serbia

Description	Score	Rank
Economic participation and opportunity	0.670	72
Educational attainment	0.997	47
Health and survival	0.980	1
Political empowerment	0.262	38
GGGI <sup>29</sup>	0.727 Inequality = 0.00 Equality = 1.00	40

### Gender Statistics

The Statistical Office of the Republic of Serbia publishes *Women and Men in the Republic of Serbia*, which provides an overview of gender-disaggregated data.<sup>30</sup> The current national strategy on gender equality contains a specific objective on gender-sensitive statistics and records (Specific Objective 3.4).

Sex-disaggregated statistical data collected from the following institutions has been presented: the Statistical Office of the Republic of Serbia (SORS), the Institute of Public Health of Serbia, Ministry of Education and Science, Ministry of Finance, Ministry of Interior, Ministry of Justice, Ministry of Labour and Social Policy, National Employment Service, the Republic Fund for Health Insurance, the Republic Fund for Pension and Disability Insurance and the Republic Institute for Social Protection.

## IV. National Framework Protecting Women and Promoting Gender Equality

### Legal and Regulatory Framework

Article 15 of the 2006 Constitution of Serbia endorses the equality of women and men and the policy of equal opportunity. The Law on Gender Equality and the Law on Prohibition of Discrimination were adopted in 2009. However, a 2013 review by CEDAW expressed concern at "(a) The failure of the State party to implement these laws in a timely and effective manner and the lack of awareness about the provisions of such laws among its population, resulting in a low number of cases initiated; [and] (b) The absence of the concept of intersectional discrimination against women in the State party's anti-discrimination laws..."<sup>31</sup>

### Policy Framework

The primary policy documents on gender equality is the National Strategy for Gender Equality 2016-2020, which includes a two-year action plan (2016-2018). The strategy includes three strategic objectives, which focus on improving the culture of gender equality; increasing equality by applying measures to promote equal opportunity; and the systematic introduction of gender into the adoption, implementation and monitoring of public policies.

These documents were approved in October 2015, and they follow on the previous National Strategy for 2009-2015 and Action Plan for 2010-2015. Two reviews of these previous documents identified certain shortcomings. First, a CEDAW Committee review expressed concern at "The lack of adequate State funding

<sup>28</sup> World Economic Forum. The Global Gender Gap Report 2014. Country Profiles. [http://www3.weforum.org/docs/GGGR14/GGGR\\_CountryProfiles.pdf](http://www3.weforum.org/docs/GGGR14/GGGR_CountryProfiles.pdf).

<sup>29</sup> World Economic Forum (2017). *The Global Gender Gap Report 2014*. Geneva: WEF: p. 10. [http://www3.weforum.org/docs/WEF\\_GGGR\\_2017.pdf](http://www3.weforum.org/docs/WEF_GGGR_2017.pdf)

<sup>30</sup> Đoković – Papić (2014). *Women and Men in the Republic of Serbia 2014*. Belgrade: Statistical Office of the Republic of Serbia.

<sup>31</sup> CEDAW (2013) Concluding observations on the combined second and third periodic reports of Serbia CEDAW/C/SRB/CO/2-3: 3.



for the implementation of these and other strategies and action plans aimed at eliminating all forms of discrimination against women....”<sup>32</sup> Second, a 2015 independent evaluation of the National Action Plan found that, “Based on evaluation finding, the conclusion is that the actual impact of NAP was very modest, limited to increased participation of women in legislative bodies, improved statistics, and increased awareness on certain issues such as VAW, deprived position of rural and Roma women, and similar. Legislative changes that are introduced are limited as by-laws were not adopted and implementation is not progressing.”<sup>33</sup> Furthermore, difficulties with policy implementation were identified in the EU Progress Report for 2015, which stated “On equal opportunities between women and men, amendments made to the labour law in July 2014 help to empower women at work, help working mothers to reconcile family and professional life, and offer greater protection to pregnant workers. However, the legislation needs to be fully implemented, particularly regarding the dismissal of pregnant women and women on maternity leave, sexual harassment, the gender pay gap and inequality in promotion, salaries and pensions.”<sup>34</sup>

#### *Institutional Framework*

The primary institution addressing women’s issues is the Coordinating Body for Gender Equality of the Government of Serbia ([www.gendernet.rs](http://www.gendernet.rs)), which was established in 2014. In addition to the Coordinating Body, “major partners” in the current UN Development Planning framework for gender-related activities include the Ministry of Labour, Employment and Social Policy, the Ministry of Interior, the Network of Women Members of Parliament, the Provincial Secretariat for Gender Equality, local-level bodies for gender equality, and women’s NGOs.

#### *Development Cooperation*

As the current UNDP Country Programme Document states, “Gender equality is one of three cross-cutting issues in the NAD [national priorities for international assistance] and is addressed through different priorities.” UNDAF Outcome 4 directly addresses gender: it states, “By 2020, state institutions and other relevant actors enhance gender equality and enable women and girls, especially those from vulnerable groups, to live lives free from discrimination and violence.”<sup>35</sup>

Under the current UN Development Partnership Framework, (2016-2020), gender is mentioned under Outcome 4, Output 5 (The National Disaster Risk Management System is implemented at central and local levels) with an indicator monitoring “Percentage of municipalities that conduct gender-sensitive risk assessments, prepare local gender-sensitive disaster risk management plans, conduct capacity development and public awareness activities.”

The UNECE 3<sup>rd</sup> Environmental Performance Review for Serbia does not address gender issues in environment.

The 2030 Agenda for Sustainable Development and 17 Sustainable Development Goals (SDGs) were adopted in 2015. The 2030 Agenda for Sustainable Development consistently applies twin-track approach of gender mainstreaming across all 17 goals and a specific goal on Gender Equality (SDG 5: Achieve gender equality and empower all women and girls). The importance of this approach is that all actions in the other areas will reflect gender equality considerations and specific needs of women and men and will shape the international agenda in the increasingly equitable manner.<sup>36</sup>

As a member of the UN Country Team, UN Women Serbia is participating in efforts to localize these SDGs and has led a consultative process that included women’s CSOs to identifying national challenges and opportunities. The consultation found that localizing the implementation of the SDGs would require responsible policy-making, adequate budgeting, and good statistics for evidence-based policy-making.<sup>37</sup>

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<sup>32</sup> Ibid.: 5.

<sup>33</sup> Vuković, Olivera, et al. (2015) *Evaluation of the National Action Plan for the Implementation of the National Strategy for Improving the Position of Women and Promoting Gender Equality in the Republic of Serbia – Final Report*. Belgrade: 10.

<sup>34</sup> European Commission (2015): 47.

<sup>35</sup> UNDP Country Programming Document 2016-2020: 9.

<sup>36</sup> Correspondence with Milana Rakovic, UN Women.

<sup>37</sup> Ibid.

## V. Gender in Capacity Development and Global Environmental Issues

In its 2009 primer on capacity development, UNDP identifies gender training modules as a useful activity when there is a need to strengthen leadership capacity and manage coalitions; it also recommends gender-disaggregated project indicators.<sup>38</sup>

### *Gender and the UNFCCC*

In climate change, the UNFCCC published a policy guide in October 2014 on existing mandates and entry points for gender under the convention. The guide divides text in UNFCCC Decisions and Conclusions into three categories: 1) text that mandates efforts to enhance gender balance / women's participation; 2) language that recognizes women as vulnerable groups; and 3) language that mandates the integration of gender-sensitive policies and actions.<sup>39</sup>

At the global level, UNDP is supporting gender mainstreaming in reporting on climate change, and in 2015 the Global Gender Responsive Climate Change Programme published the Gender Responsive National Communications Toolkit.<sup>40</sup> The toolkit is designed primarily to strengthen the capacity of national government staff and assist them in integrating gender equality into the development of National Communications (NCs). However, the toolkit can also be used to support Biennial Update Reports and planning documents such as National Adaptation Plans and inform the development and/or implementation of NDCs.

At the regional level, Serbia participated in a regional workshop in December 2017 held in Skopje on supporting gender considerations into MRV/transparency processes in the Western Balkan Countries. The Serbian participants identified the need to work with the Statistical Office of the Republic of Serbia and the Hydromet Service to undertake data collection and analysis of existing relevant data and to identify data gaps.<sup>41</sup>

A 2015 report commissioned by UNDP on gender and climate change in Serbia noted that women in rural areas mostly worked in agriculture, which was highly vulnerable (requires additional irrigation) to climate change. It also found that women faced higher risks during and after disasters because they had less access to information such as early warnings and because they may receive fewer resources due to inequitable distribution of aid. Finally, the report found that because women's knowledge of natural resources and their common responsibilities in households and communities could be crucial for adaptation and disaster management, it was very important to raise women's awareness of climate change impacts and adaptation options among women is the most important."<sup>42</sup> The report also provided specific recommendations for the Coordinating Body for Gender Equality of the Government of the Republic of Serbia on response in emergency situations and post-emergency situations, such as making gender- and age- disaggregated records for emergency situations standard practice and revising procedures related to triage and family accommodation during natural disasters so that families could remain together as much as possible (as opposed to situations where the priority evacuation of women inadvertently turns into the forced separation of families).<sup>43</sup>

### *Gender and Other Conventions*

In disaster risk reduction (DRR), gender issues are acknowledged at both the international and the country level. The official outcome of the 2015 European Ministerial Meeting on Disaster Risk Reduction included language to "Acknowledge women as a force in resilience building. The way forward to women leadership integration requires a shift in approach capturing the mutually reinforcing relationship between disaster and climate risk, choice of development pathways and gender equality towards transformation in policy and practice."<sup>44</sup>

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<sup>38</sup> Wignaraja, Kanni, ed. (2009). *Capacity Development: A UNDP Primer*. New York: UNDP: 44,49.

<sup>39</sup> Burns, Bridget and Joanna Patouris (2014). UNFCCC Decisions and Conclusions: Existing Mandates and Entry Points. Gender and Climate Change: Technical Guide for COP-20, Lima, Peru. New York: WEDO: 4.

<sup>40</sup> UNDP 2015 (<http://www.undp.org/content/undp/en/home/librarypage/womens-empowerment/gender-responsive-national-communications.html>). Accessed June 28, 2018.

<sup>41</sup> UNDP 2017 ([http://www.un-gsp.org/sites/default/files/documents/final\\_report\\_first\\_meeting\\_balkan\\_gender\\_and\\_climate\\_change.pdf](http://www.un-gsp.org/sites/default/files/documents/final_report_first_meeting_balkan_gender_and_climate_change.pdf)). Accessed June 28, 2018.

<sup>42</sup> Muric, Jasmina (2015). *Gender and Climate Change in the Republic of Serbia*. Belgrade: UNDP: 12.

<sup>43</sup> Ibid.

<sup>44</sup> Outcome of the European Ministerial Meeting on Disaster Risk Reduction. Towards a post-2015

In Serbia, this approach was embodied in activities carried out under a UNDP project supported by the Government of Japan entitled “Increased Resilience to Respond to Emergency Situations,” which concluded in February 2016. The project provided grants to women’s organizations to address DRR issues, and a total of eleven grants ranging from USD 10,111 to USD 18,000 were provided to women’s CSOs in regions across the country for six-month projects. Project activities covered all phases: from prevention (awareness raising to reduce risk), to response (establishing an amateur radio station for emergency communications, empowering women to participate in local-level emergency decision-making) and recovery (providing post-disaster trauma counseling and support for women who were victims, creating a women’s network to participate in reconstruction). The broad variety of women’s organizations allowed the grants activities to reach vulnerable women (rural women and Roma women).

## **VI. Project Conformity with UNDP and GEF Gender Indicators**

### *GEF Gender Indicators*

This annex represents a **gender analysis**. Specific research conducted during the project preparation period has identified areas where appropriate awareness-raising strategies can take into account the differentiated roles of men and women in certain activities related to MEAs, such as climate change adaptation and disaster risk reduction. All components of the project will be sensitive to different community networks, both formal and informal, that are used by men and women (and boys and girls for youth-related activities) for disseminating information and raising awareness. The **project framework** includes gender-specific activities, such as support for women researchers. It also includes targets for women’s participation, and the project monitoring and evaluation budget supports the collection of gender-disaggregated data. In addition, the project will monitor the **share of women and men who are direct project beneficiaries**, and it will also monitor the nature of these benefits. Finally, project targets and activities will be monitored in **project reporting**, both in annual reports and in the mid-term evaluation and the terminal evaluation.

### *UNDP Gender Indicators*

The project concept and proposed activities have been discussed with the UNDP gender focal point in Serbia. The Atlas gender marker for this project is 2.

## **VIII. Conclusions**

For a capacity development initiative on climate change to be successful in Serbia, it must take four steps related to gender:

1. Recognize the importance of women in the management of climate change information and in the development, implementation, and monitoring of climate-related policies and measures;
2. Take into account the differentiated roles of men and women in climate change adaptation, disaster risk reduction, and climate-related investments.
3. Encourage gender balance and women’s participation in all project activities and in climate change programs more broadly, particularly when there are entry points such as peer exchanges, trainings, and advisory support to policy-makers.
4. Collect gender-disaggregated data and gender-related information, provide findings as appropriate to other organizations, and promote the use of findings in reporting to relevant UN conventions. Specific action items are included in the proposed Action Plan on the following page.

## Proposed Action Plan

Objective	Action	Indicator	Responsible Institution
<b>Component 1: Strengthening national transparency capacities for tracking NDC progress from mitigation activities</b>			
Ensure women's representation and active participation in capacity strengthening activities and in the capacity platform	<p>Develop a gender inclusion strategy at the project inception stage.</p> <p>Monitor women's representation in the NDC platform</p> <p>Monitor representation in training activities related to NDC progress tracking</p>	<p>Presence of gender inclusion strategy and documentation of monitoring implementation and gender-related indicators in the PRF</p> <p>% of women representatives in the NDC platform</p> <p>% of women participating in training activities under Component 1</p>	PIU, IC/ CTA, Gender Consultant, MoEP
<b>Component 2: Strengthening national transparency capacities for NDC tracking and reporting on vulnerability and adaptation</b>			
	<p>Ensure reports and economic analysis on vulnerability and adaptation highlight differentiated sectoral impacts on women and men, particularly in agriculture and DRR</p> <p>Monitor representation in training activities related to adaptation-related training</p>	<p>Presence of documented analysis that mainstreams gender considerations.</p> <p>% of women participating in training activities under Component 2</p>	PIU, Gender Consultant
<b>Component 3: Development of MRV system for NDC, including financing for institutions, local communities and businesses</b>			
Ensure that data is disaggregated where possible	<p>Provide specific recommendations for data collection regarding the NDC and the configuration of the E-tools so that sex-disaggregated data can be collected.</p> <p>Monitor representation in training activities related to NDC progress tracking</p> <p>Enhance user understanding of MRV System and ability to use the system to prepare gender-sensitive policies and measures related to climate change.</p>	<p>Presence of documented recommendations</p> <p># of inputs that are disaggregated by sex</p> <p>% of women participating in training activities and international exchanges under Component 3</p> <p>Presence of specific guidelines and tools on how to prepare gender-sensitive climate change policies and measures, based on the data and information produced under the MRV.</p>	PIU, Gender Consultant

Objective	Action	Indicator	Responsible Institution
Monitoring and Evaluation / Project Management			
Increase understanding of how project benefits may vary by gender	Include gender issues in the scope of work for the Mid-Term and Terminal Evaluation of the project.	At the mid-point and the end of the project, gender-disaggregated findings, including quantitative and qualitative data, are available regarding the project approach and activities.	PIU
Raise awareness regarding gender mainstreaming in transparency frameworks	<p>Consult both men and women in the development of promotional materials</p> <p>Assess the most appropriate communication channels for disseminating information about project activities, keeping in mind that they may be different for girls and women as opposed to boys and men.</p>	<p>Increase in awareness levels regarding climate change issues among both men and women</p> <p>The project communication strategy utilizes men's and women's communication channels</p>	PIU

## Annex H: UNDP Risk Log

#	Description	Date identified	Type	Probability & Impact	Countermeasures/ Mgt response	Owner	Submitted, updated by	Last Update	Status
1.	The mechanisms created by the project would not be sustainable beyond the end of the project implementation period.		Design/ Implementation	P <sup>45</sup> = 2 I <sup>46</sup> = 3	Both the Government of Serbia and the EU have provided multi-year support for climate-related reporting activities in Serbia. The analytical and information management skills put in place by the project will continue to be utilized beyond the end of the project implementation period.	Project Board + Project Manager			
2.	The transparency framework would not be considered sufficiently important by the government to ensure adequate participation in and support for project activities; resources and attention would be diverted to other issues.		Political	P = 2 I = 3	The project is explicitly designed to link the transparency framework to high-priority issues in Serbia such as EU accession and disaster risk reduction. This linkage will ensure that the project maintains high-level support.	Project Board			
3.	Lack of available data or access to information		Political, Technical	P = 2 I = 2-3	To address this risk the project will make use of current data generation infrastructure and collaborate with a range of institutions and stakeholders	Project Board + Project Manager			
4.	Lack of skill set, and uneven skill sets in different public entities.		Political	P = 2 I = 3	This will be addressed by developing targeted capacity building approaches for different sectors and also for different skill sets. Also, there will be a focus on knowledge transfer and peer to peer learning.	Project Board + Project Manager			

<sup>45</sup> Probability from 1 (low) to 5 (high)

<sup>46</sup> Impact from 1 (low) to 5 (high)

## **Annex I: Results of the capacity assessment of the project implementing partner and HACT micro assessment**

UNDP Serbia conducted HACT Macro and Micro Assessment for all UNDP Implementing Partners in the Republic of Serbia. Macro-Assessment was conducted in 2010 by an independent authority indicating the lack of the capacity and resources of the Supreme Audit Institution as well as the immanent risk related to the cash management, budget reporting and internal audit function of public sector in the Republic of Serbia. In terms of adherence to HACT, in 2016 UNDP Serbia conducted Macro-Assessment, Assessment of the Supreme Audit Institution of the Republic of Serbia and has created pre-conditions for HACT Micro-Assessment of potential key Implementing Partners in the Republic of Serbia (CPD 2016 -2020). In October 2016 UNDP Serbia conducted Micro-Assessment of all key Implementing Partners of UNDP Serbia, including the Ministry of Agriculture and Environmental Protection and Serbian Environmental Protection Agency

After Government reorganization in April 2017, the Ministry of Agriculture and Environmental Protection was divided to the Ministry of Agriculture and the Ministry of Environmental Protection. The part dealing with environmental protection has had a long-lasting cooperation in the implementation of GEF projects in cooperation with UNDP, and other UN agencies. Therefore, the newly formed Ministry has had cooperation with United Nations Organizations which made a solid ground for continuation of the cooperation in developing new proposals.

Assessment was conducted by the independent Audit Company “Moore Stephens Revizija i Racunovodstvo” procured through UNDP procurement. The overall risk assessment was defined as “low”, and all key audit areas were defined as “low” as follows: Implementing Partner, Programme Management, Organizational Structure and Staffing, Accounting Policies and Procedures, Fixed Assets and Inventory, Financial Reporting and Monitoring, Procurement. The overall report indicated low risk status of the Ministry of Agriculture and Environmental Protection.

The complete Micro-Assessment is attached to the project proposal. Key audit areas defined were: Staffing, Internal Audit and External Audit. UNDP is of the opinion that the Ministry is to be appointed as fully-fledged Implementing Partner to this project.

**STANDARD LETTER OF AGREEMENT BETWEEN  
UNDP AND THE MINISTRY OF ENVIRONMENTAL PROTECTION  
FOR THE PROVISION OF SUPPORT SERVICES**

Your excellency,

1. Reference is made to consultations between officials of the Ministry of Environmental Protection (hereinafter referred to as “the Ministry”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Ministry hereby agree that the UNDP country office may provide such support services at the request of the Ministry through its institution designated in the relevant programme support document or project document, as described below.

2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution (the Ministry) is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the project and in line with UNDP and GEF Guidelines.

3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:

- (a) Identification and/or recruitment of project and programme personnel;
- (b) Identification and facilitation of training activities;
- (c) Procurement of goods and services

4. The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the programme support document or project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a programme or project the annex to the programme support document or project document is revised with the mutual agreement of the UNDP Resident Representative and the designated institution.

5. The relevant provisions of the UNDP standard basic assistance agreement signed on 24 March 1988 (Official Gazette of SFRJ 11/1988) with the Government of the Republic of Serbia (the “SBAA”), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The overall responsibility for the nationally managed programme or project is retained through Government designated institution – the Ministry. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the programme support document or project document.

6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.

7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the programme support document or project document.

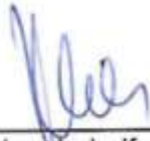
8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.



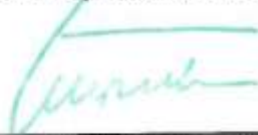
10. If you are in agreement with the provisions set forth above, please sign and return to this office two signed copies of this letter. Upon your signature, this letter shall constitute an agreement between the Ministry and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

Yours sincerely,



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Signed on behalf of UNDP  
Steliana Nedera,  
Resident Representative a.i.



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For the Ministry of Environmental Protection of the Republic of Serbia  
Goran Trivan, Minister

**Attachment to the LoA**

**DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES**

1. Reference is made to consultations between Ministry of Environmental Protection, the institution designated by the Government of the Republic of Serbia, and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project “Establishing Transparency Framework for the Republic of Serbia”, PIMS 6211, project number 00114257/00112366, “*the Project*”.
2. In accordance with the provisions of the letter of agreement and the project document, the UNDP country office shall provide support services for the Project as described below.
3. Support services to be provided:

<b>Support services (description)</b>	<b>Schedule for the provision of the support services</b>	<b>Cost to UNDP of providing such support services (where appropriate)</b>	<b>Amount and method of reimbursement of UNDP (where appropriate)</b>
1. Identification and/or recruitment of project personnel * Project Manager * Project Assistant	In the first three months of the project implementation	US\$ 260.53 (unit price), (per UPL) or (per actual cost*)	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner (IP)
2. Procurement of goods: * Data show, computers, printers	Oct 2018 – Mar 2019	US\$ 232.74 (unit price), (per purchasing process)	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner (IP)
3. Identification and recruitment of consultants: * Climate Change Chief Technical Advisor *National experts and teams of experts on GHG, MRV, V&A, IT, gender *International technical experts (Transparency, Adaptation) *Evaluation Expert	On-going throughout project implementation	US\$ 381.96 (unit price) (per UPL) or (per actual cost*)	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner (IP)
4. Finance transactions	On-going throughout project implementation	US\$ 36.44 (unit price) (per UPL) or (per actual cost*)	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner (IP)
5. Travel management	On-going throughout project implementation	US\$ 27.14(unit price) (per UPL) or (per actual cost*)	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner (IP)
<b>Total</b>		<b>up to USD 20,000</b>	

\* *Support Services Actual Cost which adheres to the „UNDP Cost Recovery Operational Guidelines for Implementation of Direct Project Costing“ effective as of January 2014.*

*Support services provision by UNDP may be a subject to revision requested as per formal Letter to be submitted by the Ministry of Environmental Protection to UNDP. The revisions, if any, will be done within the limits, outlined in UNDP-GEF guidelines on DPC. Direct project costs charged against the GEF-financed project budget will not exceed the amount 20,000 USD approved by GEF Secretariat for these services.*

3.1. In addition to Article 3 of this Letter of Agreement and Section 2 of the Project Document (total budget and workplan, page 34) detailed budgetary breakdown of services to be provided by UNDP as per Outcome and budget category is stipulated as follows:

<b>Detailed budgetary breakdown of services to be provided by UNDP</b>	<b>Schedule for the support services</b>	<b>Amount <sup>1)</sup></b>	<b>Cost to UNDP of providing such support services (where appropriate)</b>
International Consultants	As per AWP/ProDoc	19,500	As per actual cost
Local Consultants	As per AWP/ProDoc	141,000	As per actual cost
Travel	As per AWP/ProDoc	11,600	As per actual cost
Contractual Services- Companies	As per AWP/ProDoc	88,000	As per actual cost
Communic&Audio Visual Equip	As per AWP/ProDoc	10,000	As per actual cost
IT Equipment	As per AWP/ProDoc	5,000	As per actual cost
Audio Visual & Print Prod Costs	As per AWP/ProDoc	11,000	As per actual cost
Miscellaneous	As per AWP/ProDoc	900	As per actual cost
Training Workshop and Conference	As per AWP/ProDoc	13,000	As per actual cost
<b>Outcome 2</b>			
International Consultants	As per AWP/ProDoc	58,500	As per actual cost
Local Consultants	As per AWP/ProDoc	173,500	As per actual cost
Travel	As per AWP/ProDoc	17,000	As per actual cost
Contractual Services- Companies	As per AWP/ProDoc	53,500	As per actual cost
Communic&Audio Visual Equip	As per AWP/ProDoc	18,700	As per actual cost
Office Supplies	As per AWP/ProDoc	1,500	As per actual cost
IT Equipment	As per AWP/ProDoc	38,000	As per actual cost
Audio Visual & Print Prod Costs	As per AWP/ProDoc	11,400	As per actual cost
Miscellaneous	As per AWP/ProDoc	900	As per actual cost
Training Workshop and Conference	As per AWP/ProDoc	27,000	As per actual cost
<b>Outcome 3</b>			
International Consultants	As per AWP/ProDoc	27,400	As per actual cost
Local Consultants	As per AWP/ProDoc	126,000	As per actual cost
Travel	As per AWP/ProDoc	9,000	As per actual cost
Contractual Services- Companies	As per AWP/ProDoc	50,000	As per actual cost
Communic&Audio Visual Equip	As per AWP/ProDoc	16,700	As per actual cost
IT Equipment	As per AWP/ProDoc	26,000	As per actual cost
Audio Visual & Print Prod Costs	As per AWP/ProDoc	12,000	As per actual cost
Miscellaneous	As per AWP/ProDoc	900	As per actual cost

Training Workshop and Conference	As per AWP/ProDoc	20,000	As per actual cost
Professional Services	As per AWP/ProDoc	12,000	As per actual cost
<b>Project management</b>			
Contractual Services Individual	As per AWP/ProDoc	80,000	As per actual cost
Direct project costs - Staff	As per AWP/ProDoc	14,500	As per actual cost
Direct project costs - GOE	As per AWP/ProDoc	5,500	As per actual cost

- 1) *A revision of the Annual Work Plan (including adjustment to the actual funds availability to the project), provided in the Project Document, conducted in agreement with the MoEP, may result in the adjustment of amounts authorized to be disbursed by UNDP, which will be reflected in the revision of the AWP to be signed by the National Project Director and UNDP.*

4. Description of functions and responsibilities of the parties involved:

UNDP shall conduct the full process while the role of the Implementing Partner (IP) will be as follows:

- The Implementing Partner will send a timetable for services requested annually;
- The Implementing Partner will send the request to UNDP for the services enclosing the specifications or Terms of Reference required;
- For the hiring staff process: the IP representatives will be on the interview panel as ex officio members, i.e. as observers, if requested.

Implementing Partner – Ministry of Environmental protection of the Republic of Serbia:

The Ministry of Agriculture and Environmental Protection is designated as the Implementing Partner based on a consultative process led by the UNDP Country Office with the Ministry. The Implementing Partner assumes overall responsibility for the management of the programme or project, which has two dimensions:

- responsibility for achievement of outcome, through output(s) and key activities; and
- accountability to UNDP for use of programme or project resources (refer to Box 1).

Box 1 – Responsibilities of the Ministry of Environmental Protection

- Assume primary responsibility to the Government of the Republic of Serbia and to UNDP for the overall performance of the project and for the use of resources.
- Effectively manage the project on the basis of clear annual work plans that are approved jointly by the project management, the Ministry of Environmental Protection and UNDP.
- Ensure that key activities are undertaken, and output is produced, in accordance with the document and work-plans.
- Designate or appoint, in cooperation with UNDP, the management of the project from the Ministry of Environmental Protection side (National Project Director).
- Ensure that due operational procedures for Projects are applied. Assume technical, financial and administrative accountability of the project.
- Provide the necessary personnel, physical facilities (office space, equipment, etc.) and other resources that are part of the Ministry counterpart's contribution, as specified in the project document.
- Participate in monitoring, evaluation and reporting on the substantive and financial performance and impact of the project to the Ministry and UNDP.

**Project Management:**

The ultimate responsibility on behalf of the Ministry of Environmental Protection for managing the programme or project is placed on a senior Ministry official who shall be designated as the National Project Director (NPD).

The NPD is the party representing the Ministry of Environmental Protection ownership and authority over the programme/project, responsibility for achieving the objectives and accountability to the Ministry and UNDP for the use of resources.

Commensurate with these responsibilities, the NPD holds the ultimate authority to expend funds from the project budget. No project funds can be drawn and spent without his/her signed approval, or approval by UNDP responsible managers if a due arrangement via work planning has been made for delegation of approval authority from the NPD. (See Box 2 for details on the duties and responsibilities of the NPD).

## Box 2 – Duties and Responsibilities of the National Project Director

In consultation with UNDP, the Ministry of Environmental Protection designates the National Project Director among officials from the Ministry of Environmental Protection at a level that provides enough authority and insight to represent the counterpart's *ownership* and *authority* over the project, to assume *responsibility* for achieving project objectives and ensure *accountability* to the head of the Implementing Partner and UNDP for the use of project resources and achieving outputs.

### **Duties and Responsibilities**

- a) Assume overall responsibility for the successful execution and implementation of the project, accountability to the counterpart and UNDP for the proper and effective use of attached resources;
- b) Ensure consistency of the project with partner's reform strategy and relevant Ministry policies and legal procedures;
- c) Serve as a focal point for the coordination of projects with other development partners, Ministry and other stakeholders;
- d) Ensure that all counterpart's inputs committed to the project are made available and used according to the work plan;
- e) Supervise the preparation of project work plans (annual and quarterly), updating, clearance and approval, in consultation with UNDP and other stakeholders and ensure the timely request of inputs according to the project work plans;
- f) Support, in cooperation with UNDP, the recruitment of the project professional and support staff as per the agreed recruitment system outlined in National Implementation by the Government of UNDP Supported Projects: Guidelines and Procedures;
- g) Support the effective implementation of the project and delivery of the expected results, objectives and impact;
- h) Ensures appropriate supervision over the management of the project, including financial management;
- i) Ensures participation of Ministry officials in the implementation of the project;
- j) Supports adequate monitoring and impact assessment of the project;
- k) Enhances adequate documentation of the project experience and its dissemination.

### **Selection criteria:**

National Project Director is appointed/nominated by the Ministry of Environmental Protection and should be senior management official.

### **Remuneration and entitlements:**

National Project Director must not receive monetary compensation from project funds for the discharge of his/her functions.