



United Nations Development Programme

Project title: Strengthening institutional and technical Macedonian capacities to enhance transparency in the framework of the Paris Agreement		
Country: Republic of North Macedonia	Implementing Partner: Ministry of Environment and Physical Planning	Management Arrangements : National Implementation Modality (NIM) with UNDP Support
UNDAF/Country Programme Outcome: <i>Outcome 4: "By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development and communities are more resilient to disasters and environmental risks."</i>		
UNDP Strategic Plan Output: <i>Output 1.4: Scaled up action on climate change adaptation and mitigation across sectors which is funded and implemented</i>		
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Brief project description: The goal of the project is to assist the country in mainstreaming and integration of climate change consideration into national and sectorial development policies by providing continuity to the institutional and technical capacity strengthening process. This project will additionally improve the sustainability for the improvement of the country's current and future NDCs and the preparation of future National Communication/Biennial Update Reports on Climate Change, also facilitating reporting requirements to UNFCCC. The immediate objective of the project is to meet enhanced transparency requirements as defined in Article 13 of		

the Paris Agreement by strengthening institutional and technical capacity for measuring and reporting on emissions, mitigation and adaptation activities, and support received. It will use three means of strengthening capacity in this area: 1) Strengthening national institutions for MRV and aligning transparency activities with country priorities; 2) Ensuring that organizations and individuals have the necessary training and tools to conduct MRV activities; and 3) Transitioning arrangements for data collection, analysis, and reporting from a project-based cycle to a continuous process.



FINANCING PLAN

CBIT fund	1,320,000 USD
UNDP TRAC resources	0 USD
Cash co-financing to be administered by UNDP	0 USD
(1) Total Budget administered by UNDP	1,320,000 USD

PARALLEL CO-FINANCING (all other co-financing that is not cash co-financing administered by UNDP)

Ministry of Environment and Physical Planning	10,000 USD (in-kind)
European Commission	1,400,000 USD
(2) Total co-financing	1,410,000 USD
(3) Grand-Total Project Financing (1) + (2)	2,730,000 USD

SIGNATURES

<p>Signature: Sadulla Duraki Minister of Environment and Physical Planning</p> 	<p>Agreed by: Ministry of Environment and Physical Planning Implementing Partner</p>	<p>Date/Month/Year: 12.06.2019</p>
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CONTENTS

Contents	3
List of acronyms	4
I. Development Challenge	7
II. Strategy	13
III. Results and Partnership	14
IV. Project Management	25
V. Project Results Framework:	27
VI. Monitoring Framework and Evaluation	32
VII. Governance and Management Arrangements	37
VIII. Financial Planning and management	40
IX. Total budget and Work Plan	42
X. Legal Context	47
XI. Risk Management	48
XII. List of Annexes	50
Annex A. Multi Year Work Plan:	51
Annex B. Terms of Reference for Project Board, Project Manager	54
Annex C: Overview of Technical Consultancies	58
Annex D. UNDP Social and Environmental and Social Screening Template (SESP)	65
Annex E. UNDP Project Quality Assurance Report	66
Annex F. UNDP Risk Log	67
Annex G. Standard Letter of Agreement Between UNDP and the Government for the Provision of Support Services	69
Annex H. CBIT Tracking Tool	73
Annex I. Initial Gender Analysis and Gender Action Plan	74
Annex J. Results of the capacity assessment of the project implementing partner and HACT micro assessment	78
Annex K. List of Participants from the Stakeholder Consultation Meeting and Stakeholder Consultation Plan	79
Annex L. Theory of Change	82

LIST OF ACRONYMS

BUR	Biennial Update Report
CBIT	Strengthening institutional and technical Macedonian capacities to enhance transparency in the framework of the Paris Agreement
COP	Conference of Parties to the United Nations Framework Convention on Climate Change
CPD	Country Programme Document
ECRAN	Energy and Climate Regional Accession Network
EnC	Energy Community
EU	European Union
EU ETS	EU Emission Trading Schemes
FNC	Fourth National Communication on Climate Change
GCF	Green Climate Fund
GEF	Global Environmental Facility
GHG	Greenhouse gases
GSP	Global Support Programme
HMS	Hydro Meteorological Service
INDCs	Intended Nationally Determined Contributions
ICA	International Consultation Analysis
IPA	Instrument for Pre-Accession Assistance
IPCC	Intergovernmental Panel on Climate Change
MANU	Macedonian Academy for Sciences and Arts
MoEPP	Ministry of Environment and Physical Planning
MMR	Monitoring Mechanism Regulation
MRV	Measurement, Reporting and Verification
NAP	National Adaptation Plan
NC	National Communication
NCCC	National Climate Change Committee
NCSD	National Council for Sustainable Development
NDC	Nationally Determined Contributions
NIM	National Implementation Modality
OAI	UNDP's Office of Audit and Investigations
OGP	Open Government Partnership
PB	Project Board
PIF	Project Identification Form
PIR	Project Implementation Report
POPP	UNDP's Programme and Operations Policies and Procedures
PSD	Partnership for Sustainable Development (United Nations Development Assistance Framework)
QA/QC	Quality Assurance/Quality Control
SBAA	UNDP's Standard Basic Assistance Agreement
SBUR	Second Biennial Update Report on Climate Change

SDGs	Sustainable Development Goals
SESP	UNDP's Social and Environmental and Social Screening Template
SSTrC	South-South and Triangular Cooperation
TBUR	Third Biennial Update Report on Climate Change
TNC	Third National Communication on Climate Change
V&A	Vulnerability assessment and adaptation
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
WAM	With Additional Measures (Scenario)
WEM	With Existing Measures (Scenario)

List of Annexes

- A. Multi-year Workplan
- B. Terms of Reference for Project Board, Project Manager, Chief Technical Advisor and other positions as appropriate
- C. Overview of Technical Consultancies
- D. UNDP Social and Environmental and Social Screening Template (SESP)
- E. UNDP Project Quality Assurance Report
- F. UNDP Risk Log
- G. Standard Letter of Agreement Between UNDP and the Government for the Provision of Support Services;
- H. CBIT Tracking Tool
- I. Draft Macedonian Action plan for integrating gender aspects responsiveness into CBIT Project Activities
- J. Results of the capacity assessment of the project implementing partner and HACT micro assessment
- K. List of participants from the stakeholder consultation meeting and stakeholder consultation plan
- L. Theory of Change

I. DEVELOPMENT CHALLENGE

The Paris Agreement, which was adopted at the 21st Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) establishes an enhanced transparency framework for action and support in Article 13. It also outlines the information required of non-Annex 1 Parties to the UNFCCC: A national inventory report progress made in achieving nationally-determined contributions (Art. 13, para. 7); information related to climate change impacts and adaptation (para. 8); and information on technology transfer and capacity building support needed and received (para. 10). According to paragraph 91 of Dec 1/CP.21, all Parties (except for LDC and small island developing states) shall submit the information referred to in Article 13 no less frequently than on a biennial basis.

The Country became a Party to the UNFCCC when it ratified the convention in 1998. The country signed the Paris Agreement on April 22, 2016, and Parliament ratified the agreement on November 7, 2017 (Official Gazette of RM, No. 161/17). Over the past two decades, the country has compiled and submitted a series of reports and communications to the UNFCCC:

- National Communications: The country has prepared and submitted three National Communications (in 2003, 2009, and 2014).
- Biennial Update Reports: The country submitted its FBUR in January 2015, and it submitted its SBUR in March 2018.
- (I)NDC: The country submitted its INDC (now NDC) in August 2015, in which the Government committed to reduce the CO₂ emissions from fossil fuel combustion by 30%, and 36% at a higher level of ambition, by 2030 compared to the business as usual (BAU) scenario.

However, reporting to the UNFCCC has been conducted on a project-by-project basis. While reporting efforts continue to improve, they are hindered by this ad hoc approach, which makes it difficult to nurture and develop capacity for transparency initiatives that is truly sustainable. In order to ensure its robust participation in Article 13, the country requires support to develop its long-term institutional and technical capacity.

Institutional Framework

The Ministry of Environment and Physical Planning (MOEPP) serves as the National Focal Point to the UNFCCC, and it oversees climate change reporting and MRV for the Government. Other government ministries and agencies provide inputs for national reporting, including the Energy Agency; the Ministry of Agriculture, Forestry and Water Economy; the Ministry of Economy; the Ministry of Transport and Communication; the Ministry of Health; the Ministry of Finance; and the State Statistical Office. High-level government support for climate change action is also provided by the Office of the Deputy Prime Minister for Economic Affairs, which is responsible for the achievement of the Sustainable Development Goals, and the Office of the Prime Minister for Economic Affairs.

Interagency bodies that play a role in climate change policy include the National Council for Sustainable Development, which is responsible for mainstreaming of the sustainable development aspects in national economic policies, and the National Climate Change Committee (NCCC), which provides high-level support and guidance for climate change policy. The NCCC was established in 2000 by government decree. It consists of representatives from government bodies (Ministry of Foreign Affairs, Ministry of Agriculture, Forestry and Water Economy, Ministry of Economy, Ministry of Health, Ministry of Transport and Communications, Ministry of Education, Ministry of Culture, Ministry of Finance, Secretariat for European Affairs, Public Health Institute, Crisis Management Centre, State Statistical Office, Economic Chamber of Macedonia, Association of Units of Local Self-Governments and the Hydro-meteorological Institute), private sector, CSOs, and research and educational institution. The committee serves as a platform that coordinates and oversees national policies on climate change, ensuring these policies are consistent with national development priorities and objectives and ensuring that relevant stakeholders across the country are kept informed and consulted on the development of climate change issues, policies and strategic management of all climate related projects, programs and research activities.

The process for producing National Communications and Biennial Reports for the UNFCCC is led by MOEPP. MOEPP has established a Climate Change Unit, and it has appointed a State Counsellor on Climate Change. However, the Climate Change Unit lacks sufficient staff to carry out its designated duties. The National Climate Change Committee (NCCC) and the Technical Group at the National Sustainable Development Council also participate in the reporting process as well as other key stakeholders in government and in civil society. International institutions and donors, specifically the Global Environmental Facility (GEF) and the United Nations Development Program (UNDP), have provided financial and technical support for this reporting process. UNDP has provided support for the majority of climate change policy documents in the Republic of North Macedonia, including its three National Communications, the FBUR, this SBUR, its INDCs, a Climate Change Strategy for the City of Skopje, and others. It should be noted that the Global Support Programme for National Communications and Biennial Update Reports, which is implemented for the GEF by UNDP and UNEP, has facilitated peer review of communications and reports and technical support for GHG inventories and other aspects of reporting.

Legislative and Regulatory Framework

The Law on Environment currently regulates the issue of monitoring of anthropogenic emissions by sources and sinks of greenhouse gases. Article 187 of the Law on Environment stipulates that a National Plan for Climate Change (now embodied in Macedonia's INDCs) is to be adopted for the purpose of stabilizing GHG concentrations at a level that would prevent any dangerous anthropogenic impact on the climate system within a timeframe sufficient to allow ecosystems to naturally adapt to climate change, in accordance with the principle of international cooperation and the goals of the national social and economic development.

This law also addresses GHG inventories. Pursuant to Article 186-a, MOEPP is to establish, develop, manage and coordinate a National System for an inventory of GHG emissions. This system will provide data for the preparation of the GHG inventory, as well as for monitoring the implementation of the INDCs as the National Plan for Climate Change. However, the Law on Environment does not yet regulate the issue of MRV of policies and measures in detail. In order to be effective, the law would require an amendment.

In order to resolve this regulatory gap, the country is in the process of converting to a legislative and regulatory framework that will be informed by the 2030 Climate and Energy Framework of the European Union. Specifically, the country will need to adopt a long-term climate action strategy covering the period to 2030 and a Law on Climate Action. This initiative is being funded by a project entitled "Law and Strategy on Climate Change," which has been programmed under the EU Instrument for Pre-Accession Assistance (IPA II) funding mechanism, and drafting the legislation is beginning this year. As a part of this legislation, legally binding requirements on GHG reporting, such as the identification of data providers and a description of MRV, will be specified. It should be noted that progress on the transposition of the EU *acquis* in climate change has been slow and is at an early stage. Furthermore, while IPA II support will fund the drafting of climate legislation, it will not provide support for capacity development to manage the resulting inventory system successfully, and it will not support transparency activities.

Finally, several sectoral laws and strategies provide partial guidance on monitoring and reporting on policies and measures in several key areas, including the Law on Energy, the Strategy for Energy Development (Article 10 of the Law on Energy), and the Strategy for the Use of Renewable Energy Sources and its Action Plan for Renewable Energy Sources. In its recommendations for improving GHG inventories, the SBUR inventory team specifically recommended that in the energy sector, the country should "Establish a process for secure, continuous data collection with relevant institutions regarding the composition and carbon content of fuels. These arrangements could be formalized through a Memorandum of Understanding, and they would support the estimation of country-specific emission factors" (SBUR Section 3.10.2). These laws and strategies also have shortcomings in that guidance on monitoring and reporting is at times incomplete and / or unenforced. For example, the Strategy for Energy Efficiency (Article 130 of the Law on Energy) has an associated Action Plan that is developed every three years. While the Law on energy specifies the need for an annual report on the Action Plan and designates the agency that

undertakes the reporting, there is no by-law that prescribes the content, manner and deadline for submission of data required for the preparation of the annual report.

The country also has a sectoral strategy that addresses sustainable development. The Strategy on Sustainable Development and its Action Plan are currently being updated, and both documents contain a chapter on climate change. In terms of the Sustainable Development Goals, a gap analysis on SDG Mainstreaming into the National Sustainable Development Planning for the Period 2016-2030 was undertaken in 2016. The results show that the SDG 13: "Take urgent action to combat climate change and its impacts" has been adequately covered into the national strategic documents in the areas of mitigation, vulnerability assessments, awareness and dissemination. Gaps have been identified with regards to the adaptation and resilience sectoral planning, as well as appropriate monitoring framework and quantifiable and measurable indicators of achievements in both, mitigation and adaptation.

The country's NDC reads as follows: "To reduce the CO₂ emissions from fossil fuels combustion for 30%, that is, for 36% at a higher level of ambition, by 2030 compared to the business as usual (BAU) scenario. The CO₂ emissions from fossil fuels combustion cover almost 80% of the total GHG emissions in the country with a dominant share of the following sectors: energy supply, buildings and transport."¹ The NDC also identifies three target sectors: energy supply, buildings, and transport. As the official documentation explains, "Due to the extensive use of fossil fuels, particularly the dominant share of national lignite for electricity production, there is a significant potential in the country for GHG emissions reduction. Having this in mind, the focus...is put on climate change mitigation, that is, on policies and measures that lead to GHG emissions reduction. However, this does not suggest that adaptation is less important. Vulnerable sectors and climate change adaptation shall be subject to a more detailed analysis in the future...."²

The NDC resulted from the development and analysis of a business as usual (BAU scenario) and two mitigation scenarios. Modeling and scenario development relied utilized the MARKAL energy planning model and used a bottom-up approach to model individual policies and measures through the year 2035. The first mitigation scenario, the With Existing Measures (WEM) scenario, included 17 policies and measures (10 in energy supply, 4 in buildings, and 3 in transport). The second scenario a higher ambition mitigation scenario called the With Additional Measures (WAM) scenario, included all of the policies and measures from the WEM scenario while adding 9 others (3 in energy supply, 4 in buildings, and 2 in transport).

In all three scenarios, CO₂ emissions rise, peaking between 2030 and 2032. Under the BAU scenario, however, CO₂ emissions will almost double by 2030. On the other hand, the 17 measures included in the mitigation scenario (WEM) could lead to an emissions reduction of 30% compared to the BAU, and the 26 measures in the WEM scenario could lead to an emissions reduction of 36%. In other words, CO₂ emissions in 2030 will increase 31% from the base year of 1990 under the WEM scenario and 20% under the WAM scenario.

The project is highly aligned with the country's NDC. Output 2.3 will pilot the process of mainstreaming MRV into sectoral policies and legislation in three areas that have been identified under the NDC as key sectors: energy supply, buildings, and transport. The integrated system of tracking tools that is created under Output 3.1 will directly support monitoring of mitigation actions under the scenarios listed in the NDC. Furthermore, Output 3.3 will track progress towards NDC targets and support reporting at the country level and at the international level. Project activities will also support the expansion of subsequent NDCs to cover adaptation, as Output 2.1 will establish a template for reporting on adaptation activities. This is consistent with the current NDC observation that "...adaptation shall be subject to a more detailed analysis in the future, from the view of INDC needs." (NDC p. 2).

¹ The 2015 INDC submission and the associated background document are available at www.klimatskipromeni.mk.

² INDC (2015).

Current Status of Transparency Activities

Given the country's status as a non-Annex I Party to UNFCCC, a Candidate Country for EU membership, and a Contracting Party of the Energy Community (EnC), the common denominator for MRV activities is the MMR, or the Monitoring Mechanism Regulation (EU Regulation No 525/2013 of the European parliament and of the Council on mechanisms for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change and repealing Decision No 280/2004/EC). This regulation is of particular importance for the country because of the recommendation of the Ministerial Council of the Energy Community, adopted in October 2016, which recommends the Contracting Parties to ensure the legal and institutional conditions for the implementation of the essential elements of this Regulation.

In the area of climate change adaptation, the country expects to prepare a National Adaptation Plan (NAP) through the Readiness Program of the Green Climate Fund (GCF). The project is designed to help Macedonia's government increase its capacity to address the climate change vulnerabilities. The project will increase capacity through the following steps: 1) Strengthening the national mandate, strategy and steering mechanism that focuses on assessing and addressing capacity gaps (particularly in the agriculture and water sectors) to ensure that capacities are institutionalized for the long-term sustainability of adaptation planning; 2) Addressing key hydro-meteorological knowledge and capacity gaps that currently hinder adaptive flood management; and 3) The development of the NAP, its implementation plan, monitoring and evaluation strategies, and the ensuing development of financing strategies to ensure funding sustainability beyond the life of the project.

Under the FBUR, the country began to develop an MRV system for reporting on the progress of mitigation actions. Reporting requirements identified included savings from energy efficiency programs, the share of renewable energy, and emission levels from utilities and other large industries. The FBUR also proposed a comprehensive list of indicators that would allow the country to monitor progress on the scale of individual projects with disaggregated metrics, and it proposed a pathway for establishing enhanced MRV in the country. The compilation of the SBUR provided an opportunity to build on this work, and analysis focused on two areas: 1) Identifying legal obligations for the establishment of monitoring and reporting systems and the state of their practical implementation; and 2) Identifying the institutions or organizations that were in charge of implementing a particular specific activity, the way in which those institutions / organizations monitored implementation, to whom and how they reported, how information and data were verified, etc. This analysis identified multiple data collection systems under development or testing, ranging from software to partially automate the preparation of the energy balance to the national vehicle registry.

There are several existing electronic databases in the country that are relevant to the development of a comprehensive MRV system. First, software to partially automate data collection for the preparation of the energy balance is being introduced this year. A monitoring and verification web platform to monitor the National Energy Efficiency Action Plan was developed with support from GIZ, but there is no legal basis for its adoption under current legislation. Software for monitoring energy consumption in municipalities has been developed, but it lacks adequate resources from the government for its implementation. The Vehicle Registry, which contains large quantities of technical data, is a closed system that is outdated and extremely complex. An SBUR review of these electronic databases and several others identified a lack of coordination and sustained financial support as key barriers to successful use in MRV.

The SBUR, and climate change MRV activities more generally, have been directly informed by findings from the International Consultation Analysis (ICA) process (FCCC/SBI/ICA/2015/TASR.1/MDK). The FBUR was among the first BURs from Non-Annex I Parties to participate actively in both ICA components: the technical analysis of the submitted BURs, and the workshop for facilitative sharing of views under the Subsidiary Body for Implementation. The experience was a valuable and positive for the country and the BUR team. The following were the key conclusions of the ICA process: 1) the country has transparently reported on its national circumstances and institutional arrangements relevant to the preparation of BURs and has taken significant steps to create strong institutional arrangements that allow for the sustainable preparation of BURs; 2) Macedonia's inventory constitutes an extension and improvement of the previous inventories and covers GHG emissions and removals for the period 1990–2012 using the 2006 IPCC Guidelines, recalculating the full time series for the years reported in

previous national communications; 3) further, the country has transparently reported on plans and considerations to continuously improve the transparency, consistency, comparability, completeness and accuracy in its national GHG inventories, and is planning steps and institutional arrangements to support continuous improvement; and 4) it has also transparently reported on the technical and institutional processes to plan and assess actions to mitigate climate change, in addition to the types of mitigation actions being implemented and considered. The team of technical experts suggested the following improvements: a) the transparency of methods and associated use of emission factors applied could be enhanced; b) the transparency of some mitigation information could be enhanced; c) a more detailed report that includes disaggregation by donor and type of support required may enhance the transparency of reporting; d) capacity-building needs related to the facilitation of reporting in accordance with annex III to decision 2/CP.17 and to the participation in ICA in accordance with annex IV to decision 2/CP.17, considering Article 4, paragraph 3, of the Convention should be addressed.

A technical analysis under the ICA process for the SBUR was initiated by the UNFCCC in July 2018. Findings and recommendations from that process will inform the implementation of proposed activities under this CBIT project where relevant.

Finally, the country is a member of the Open Government Partnership and a participant in its Open Climate Working Group, which involves 10 countries and many civil society organizations. As a working group member, the country has provided open access to national databases that show the amounts and sources of greenhouse gas emissions, including: information and data on climate change effects, relevant climate scenarios and climate change mitigation. It also commits to establish appropriate legal and regulatory frameworks for the private sector to deliver data relevant to climate change.

Barriers to an Expanded Transparency Framework

The country has compiled detailed information on barriers to implementing transparency requirements under Article 13 of the Paris Agreement through assessments in its National Communications, BURs, background documents for those reports, and assessments conducted under the national adaptation planning process. Barriers to successful implementation can be divided into four categories:

1. There is a lack of institutional capacity to manage climate-related MRV. The FBUR, SBUR, and draft adaptation assessment all identified a lack of institutional capacity at MOEPP, the focal point ministry for climate change. Specifically, there is not a designated office with qualified employees and computer hardware and software to oversee MRV systems and activities across government agencies and industry. This constraint limits the ability of the government to align MRV activities with international requirements and country priorities. In addition, electronic systems for MRV in certain sectors cannot be fully implemented due to a lack of trained personnel with a mandate to use them.

2. Organizations and individuals lack the necessary training and tools to conduct MRV activities. The SBUR identified a need to provide training to individuals in MOEPP, particularly the National Environment Information Center, and in other sectoral ministries responsible for collecting data related to climate change mitigation and adaptation. There is also a need to develop and provide criteria for classifying and reporting support received. Furthermore, reporting in all areas should have clear timetables, formats and procedures.

3. The lack of a holistic, continuous system for data collection, formatting, analysis, and reporting. The current project-based cycle for reporting, rather than a continuous process, makes it difficult to respond to emerging MRV requirements. Research under the SBUR identified a number of partially developed or tested databases in different sectors. However, there is a lack of coordination among the databases, and certain databases that do not have the formatting or level of scale necessary to contribute meaningfully to climate change activities. In the area of mitigation, the country has developed a good GHG inventory, but it lacks a means of reporting the data to multiple recipients in a sustainable way. The UNFCCC International Consultation and analysis also identified the need to provide updated, disaggregated data on financial support received; while this information was provided in the SBUR, there is no standing database or established criteria for inclusion. In the area of adaptation, there is also a

lack of clear processes for collecting information and updating climate risk and vulnerability information, and adaptation and mitigation information are not integrated.

4. Although women are meaningfully involved in the climate change decision-making process, gender issues are not well integrated into transparency activities. There is a low level of awareness regarding the relationship between gender issues and climate change issues. Government agencies do not have the individual capacity to analyze the consequences of climate change policies and measures on men and women, and they lack access to materials and specialists who could provide guidance and support. Finally, reporting data and systems may not be disaggregated by gender, which limits the ability of policy-makers to learn from climate change programming.

II. STRATEGY

The Paris Agreement, which was adopted at the 21st Conference of the Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) establishes an enhanced transparency framework for action and support in Article 13. It also outlines the information required of non-Annex 1 Parties to the UNFCCC: A national inventory report progress made in achieving nationally-determined contributions (Art. 13, para. 7); information related to climate change impacts and adaptation (para. 8); and information on technology transfer and capacity building support needed and received (para. 10). According to paragraph 91 of Dec 1/CP.21, all Parties (except for least developed countries and small island developing states) shall submit the information referred to in Article 13 no less frequently than on a biennial basis.

The project contributes to the PSD outcome 4: “By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development, and communities are more resilient to disasters and environmental risks”, and the CPD Output 4.2. “Public and private actors have improved capacities to implement, monitor and evaluate policies related to environment, climate change and nature protection”. Moreover, it will assist the country in achieving the SDG 13 by supporting the integration of climate change measures into national policies, strategies and planning; building knowledge and improving education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning, and promotion of mechanisms for raising capacity for effective climate change-related planning and management in the country.

Theory of Change

Annex L of this document provides the theory of change for this project. Component 1 will use the creation of a designated MRV unit and the formalization of MRV networks to strengthen institutional capacity for MRV in the country. Component 2 will deliver training, produce toolkits, and support legislation in order to provide organizations and individuals with the capacity that they need to carry out transparency activities. Component 3 will create a gender-sensitive, continuous, holistic MRV system for meeting Article 13 reporting requirements. As a whole, these elements will strengthen the ability of the country to meet UNFCCC reporting requirements, and thus accelerate transformations to sustainable development.

The theory of change for this project makes three assumptions:

- A stable political situation and firm, continuing government support for the UNFCCC and the Paris Agreement
- The National Climate Change Committee will ensure coordination in MRV activities
- Government employees will have sufficient time allocated for training, and support at all levels of government will remain strong
- Knowledge products will remain available to decision-makers and the broader public on the national climate change website.

Country Ownership

This project has been developed in close, ongoing cooperation with the Government. The GEF Operational Focal Point for the country, Ms. Vesna Indova Tochko, endorsed the project with a letter signed on January 29, 2018. Feedback has also been provided by a wide variety of stakeholders (see Annex K). In addition, the Ministry of Environment and Physical Planning will be providing in-kind co-financing of USD 10,000.

III. RESULTS AND PARTNERSHIP

The **goal of the project** is to assist the country in mainstreaming and integration of climate change considerations into national and sectorial development policies by giving continuity to the institutional and technical capacity strengthening process, initiated and sustained by the UNFCCC reporting under the expanded transparency framework.

The **immediate objective** of the project is to meet enhanced transparency requirements as defined in Article 13 of the Paris Agreement by strengthening institutional and technical capacity for measuring and reporting on emissions, mitigation and adaptation activities, and support received. It is comprised of three components and corresponding activities. The three key proposed outcomes of the project are as follows: 1) National institutions for MRV are strengthened and transparency activities are aligned with country priorities; 2) Organizations and individuals have the necessary training and tools to conduct MRV activities; 3) Arrangements for data collection, analysis, and reporting shift from a project-based cycle to a continuous process.

The **project approach** transitions the country to sustained capacity for transparency activities by providing resources for a designated MRV unit, training and equipping the unit and other agencies that provide data inputs for MRV, and establishing a system for continuous data collection, analysis, and reporting. In this way, the project will improve the preparation of future NCs/BURs/NDCs/NAPs and will facilitate the reporting requirements to UNFCCC.

The project is in line with GEF climate change mitigation objective CCM3 under GEF-6: Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies (Program 5: Integrate findings of convention obligations and enabling activities into national planning processes and mitigation targets; Indicator 3: MRV systems for emission reductions are in place and reporting verified data).

The project outcomes are as follows:

1. National institutions for MRV are strengthened and transparency activities are aligned with country priorities
2. Organizations and individuals have the necessary training and tools to conduct MRV activities
3. Arrangements for data collection, analysis, and reporting shift from a project-based cycle to a continuous process.

EXPECTED RESULTS:

The project has three components:

1. Institutional Capacity Strengthening for MRV
2. Training and tools for activities conducted under Article 13
3. Design and implementation of a sustainable national MRV system

The Outputs of Outcome 1:

Output 1.1: Capacity in UNFCCC focal point ministry strengthened so that transparency activities can be carried out in a consistent fashion. Establish a unit at MOEPP to oversee MRV issues related to climate change reporting on national and international commitments.

Output 1.2: Capacity of relevant government organizations strengthened to increase scope and quality of transparency activities.

Output 1.3: National networks established of staff responsible for MRV within the key relevant government organizations, as well as local experts.

Output 1.4: Capacity to ensure gender equality and equity in climate change projects increased

The Outputs of Outcome 2:

Output 2.1: Toolkits and templates for mitigation, adaptation and reporting on support developed and disseminated

Output 2.2: Training program for transparency activities operationalized

Output 2.3: Transparency concepts integrated into policies and legislation in key (I)NDC areas

Output 2.4: Research and training on climate change and gender developed and disseminated

The Outputs of Outcome 3

Output 3.1: Integrated system of tracking tools for transparency-related actions and progress established

Output 3.2: Tracking tools refined and cross-cutting MRV established

Output 3.3: MRV system utilized for NDC tracking and reporting

Output 3.4: Gender-sensitive measurement and reporting established

Component 1: Institutional Capacity Strengthening for MRV

Corresponding Outcome: National institutions for MRV are strengthened and transparency activities are aligned with country priorities

This component will use three approaches to strengthen the institutional capacity of the country to carry out transparency activities: strengthening capacity at the focal point ministry, strengthening capacity in other key organizations, and establishing a network of national practitioners to participate in these activities. The FBUR specifically identified the need to hire additional expertise to oversee MRV activities at MOEPP. This need had not been filled by the time of the SBUR, which identified it as an ongoing gap, and although it is a priority for the Government, it remains an unmet need.

The preliminary arrangements are as follows:

Output 1.1: Capacity in UNFCCC focal point ministry strengthened so that transparency activities can be carried out in a consistent fashion. Establish a unit at MOEPP to oversee MRV issues related to climate change reporting on national and international commitments.

Activities:

- Align MRV work in support of the NDCs with reporting necessary for SDG 13, current environmental information reporting, such as reporting to the EEA, and other reporting obligations that may emerge, such as reporting on Integrated Energy and Climate Plans to the Energy Community
- Provide recommendations to MOEPP and the Government on fine-tuning the NDCs and means of measuring progress in their implementation
- Develop a financing roadmap for the MRV unit and identify national and external sources of long-term support for its personnel and activities
- Coordinate the national networks of staff responsible for MRV within the key relevant government organizations, as well as local experts, established in Output 1.3

Output 1.2: Capacity of relevant government organizations strengthened to increase scope and quality of transparency activities.

Activities:

- Conduct a functional analysis of climate change-related capacity for national and regional agencies, such as the Ministry of Environment and Physical Planning, Deputy Prime Minister in Charge of Economic Affairs office, Ministry of Economy, Ministry of Agriculture, Forestry and Water Economy, the Energy

Agency, the Ministry of Finance, Ministry of Transport and Communications, Ministry of Education, the Ministry of Labour and Social Policy (which is responsible for gender issues and social inclusion issues), Ministry of Health and the State Statistical Office

- Use the MOEPP MRV office to conduct briefings for the NCCC, key sectoral ministries, the Government, Parliament, municipalities, and civil society on transparency activities and the NDCs
- Track spending on CC in budgets in coordination with the MRV Unit at MOEPP
- Develop a protocol for providing “on-call” support to other sectoral ministries and government agencies as needed.

Output 1.3 National networks established of staff responsible for MRV within the key relevant government organizations, as well as local experts.

Activities:

- Identify in-country experts in three areas (inventories and mitigation, adaptation, and climate finance) and establish a national network of practitioners in that area
- Implement the national climate change communications strategy and provide information support to the national networks
- Plan and implement at least 3 events where network members can network and exchange good practice in coordination with Component 2.2 (Training Program for Transparency Activities)
- Identify linkages between the networks and their sub-regional and regional counterparts
- Compile a roadmap for post-project management of the networks

Output 1.4: Capacity to ensure gender equality and equity in climate change projects increased

Activities:

- Work with Implementing Partner to identify a national Climate Change and Gender Focal Point
- Conduct a pilot sectoral climate and gender analysis (e.g. renewable energy) and provide a briefing for policy-makers on the results.
- Provide support to the Climate Change and Gender Focal Point in screening climate finance projects
- Compile an expert roster of individuals and organizations that can provide expertise on gender issues in coordination with Component 1.3

Component 2: Training and tools for activities conducted under Article 13

Corresponding Outcome: Organizations and individuals have the necessary training and tools to conduct MRV activities

This component will use several mechanisms to ensure that organizations and individuals have the necessary training and tools to conduct MRV activities: tools and templates for reporting and a training program on transparency activities. The need for training on MRV concepts and practice was identified in both the FBUR and the SBUR. Training programs under this component will focus on imparting the skills necessary to implement the MRV system that will be established under Component 3. Activities related to the AFOLU sector are included due to the increasing interest in the sector by the Government. As of 2014, emissions from agriculture comprised 8.2% of total GHG emissions in the country, or slightly more than emissions from Industrial Processes and Product Use (7.6%). Training concepts may include data collection protocols, training on the software and data sharing process, data analysis and visualization under the system, and QA/QC, data protection, and other supporting protocols. A focused training needs assessment and training plan for stakeholders, including MOEPP, other sectoral ministries, and other government agencies will be conducted at project inception.

This component will also use a learning-by-doing approach to pilot the process of mainstreaming MRV into sectoral policies and legislation into the key sectors under the (I)NDC: energy supply, buildings, and transport. Examples of country policies and legislation that will be considered include the Energy Strategy, the Energy Efficiency Strategy, the Strategy on Renewable Energy Sources, the Program for the Implementation of the Energy Strategy, the

Energy Efficiency Action Plan, the Action Plan on Renewable Energy Sources, the Transport Sector Strategy and the National Strategy on Equality between Men and Women. The preliminary arrangements are as follows:

Output 2.1: Toolkits and templates for mitigation, adaptation and reporting on support developed and disseminated

Activities:

- Develop a classification methodology for support received that will allow for more nuanced reporting under Article 13, para. 10., including ways to track investments in adaptation
- Identify suitable hardware, software, and licensing/subscription options to enhance reporting on agriculture, forestry and other land use (AFOLU)
- Develop an MRV scheme for adaptation measures, starting with measures addressing the most vulnerable sector
- Conduct a governmental budget analysis (aligned with EU methodology); identify baseline spending on CC in the government budget for both mitigation and adaptation in coordination with sectoral ministries and other governmental units and develop an MRV scheme for tracking support for climate change activities.

Output 2.2: Training program for transparency activities operationalized

Activities:

- Conduct a training assessment for key agencies providing data and information on transparency activities
- Develop appropriate materials and curricula for target groups
- Develop a multi-year plan for training on transparency activities
- Conduct training-of-trainers for MRV Office staff
- Conduct training sessions for target groups in government and civil society
- Organize regular training on an annual basis for media and journalists on key aspects of climate change vulnerability and adaptation opportunities, and develop a process for recognizing outstanding coverage
- Evaluate training outcomes and revise materials and trainings as necessary
- Establish a database of training materials for government employees on transparency activities

Output 2.3 Transparency concepts integrated into policies and legislation in key (I)NDC areas

Activities:

- Commission an analysis of policies and legislation in key (I)NDC areas: energy supply, buildings, and transport
- Provide recommendations for entry points in key strategies and legislation
- Prepare draft text for national policy, legislation, and planning documents
- Prepare a publication on the mainstreaming exercise that may serve as a guidance document for other countries

Output 2.4: Research and training on climate change and gender developed and disseminated

Activities:

- Provide two training sessions for gender stakeholders on climate change and climate finance and vice versa in coordination with Component 2.2
- Develop and conduct a briefing on gender issues for the NCCC in coordination with Component 2.2
- Develop and deliver training modules for key stakeholders (State Statistical Office, Ministry of Economy, Ministry of Agriculture, Forestry and Water Economy) on gender issues in coordination with Component 2.2
- Develop a gender module for climate finance readiness training that can also be delivered as a stand-alone seminar

- Develop and implement a plan to disseminate research and training modules throughout South-Eastern Europe (a process that can utilize the regional network of climate change OFPs and gender specialists) and through the Global Support Programme and the Global Coordination Platform as appropriate

Component 3: Design and implementation of a sustainable national MRV system

Corresponding outcome: Arrangements for data collection, analysis, and reporting shift from a project-based cycle to a continuous process.

This component will support the transition from project-based data collection and reporting to a continuous process by creating and refining an integrated tracking system. The system will be based on open access coding in order to avoid difficulties from proprietary software and to allow for potential innovations from the broader research and technology community. Activities under 3.1 will build on the improved approaches and strengthened capacity for data collection and analysis that is supported under Outputs 2.1 and 2.2. The preliminary arrangements are as follows:

Output 3.1: Integrated system of tracking tools for transparency-related actions and progress established

Activities:

- Commission an integrated environmental information system to measure progress on mitigation actions, adaptation, and support received.
- Engineer interfaces between the system and key sectoral databases (e.g. the energy balance, industrial information, and the vehicle registry).
- Commission a user interface for the system that will allow for advanced data visualization, integration with GIS software, and outputs that can be aligned with international reporting templates (e.g. UNFCCC, EU/EIA, EnC).
- For each of the mitigation measures identified in the NDCs, elaborate an MRV system that complies with the EU MMR and includes procedures and institutional arrangements reflecting in-country conditions and mitigation obligations.

Output 3.2: Tracking tools refined and cross-cutting MRV established

Activities:

- Identify linkages between data collected under transparency-related activities and the national data-collection and data-sharing process to strengthen disaster risk-related information collection, production and dissemination,
- Make the relevant improvements/adjustments where needed and harmonize climate indicators to improve the quality of the data collected and increase the efficiency of data collection as well as gender and social inclusion desegregated data to the extent possible.
- Develop recommendations on MRV for the national policy and planning documents supported under Output 2.3

Output 3.3: MRV system utilized for NDC tracking and reporting

Activities:

- MRV/NDC system reports provided to the GEF-CBIT Global Coordination Platform database to ensure effective project tracking
- MRV/NDC system reports provided to UNFCCC reporting teams (National Communications and BURs)
- System reports provided to SDG reporting teams
- Produce progress reports on climate change activities and the NDCs for the Government (this may be produced as a component of a broader State of the Environment report or as a stand-alone report)

Output 3.4: Gender-sensitive measurement and reporting established

Activities:

- Itemize issues arising through sex-disaggregated data collection and analysis for the national MRV and NDC tracking system
- Assess the current state of gender responsive budgeting and provide recommendations on reporting
- Document and disseminate gender-relevant best practices and lessons learned throughout the project cycle

In summary, the country has been making steady progress on MRV, and it continues to improve based on expert recommendations and feedback at the country level and from the UNFCCC. Furthermore, the country has set ambitious goals for its NDCs and for the level of reporting it plans to undertake under the Paris Agreement. However, the barriers in the baseline description above hinder the quality of reporting that takes place. They also limit the ability of the country to undertake climate action on the basis of the information that is reported. Without the support of the project, the country will undertake periodic reporting on climate change, but it will not be able to undertake transparency activities to the full extent of its potential. The country will also be limited in the contributions it can make to a global understanding of climate change and actions to address it.

PARTNERSHIPS:

At the country level, the project will coordinate with other GEF-funded projects, particularly with subsequent National Communications and Biennial Update Reports. To ensure better coordination of the CBIT project with GEF-financed transparency initiatives in other countries, information on this project will be uploaded into the GEF-CBIT Global Coordination Platform database to ensure effective project tracking to allow for joint reporting. The project will also communicate on a regular basis with other UNFCCC-related climate initiatives, such as the Talanoa Facilitative Dialogue.

The project will also coordinate its activities with those related to the preparation of the Fourth National Communication and the Third BUR. Overall coordination regarding the NC/BUR process and the CBIT process will be addressed in the Law and Strategy on Climate Action, which is currently under preparation. At the level of project coordination, UNDP will implement the proposed UNDP-GEF Enabling Activity "Macedonia's Fourth National Communication and Third Biennial Update Report" and this proposed CBIT project using a combined project implementation unit. The unit will be located at MOEPP along with the new MRV unit to ensure optimum coordination. Furthermore, the project will maintain regular communication with the GCF Readiness Program, which is expected to support the development of a National Adaptation Plan (NAP), including recommendations on monitoring and evaluation of the plan.

The project will also coordinate its activities with European Commission initiatives, such as its IPA-2 programming related to climate change policy and legislation and its capacity strengthening activities under the auspices of the Energy and Climate Regional Accession Network (ECRAN) and under the Joint Research Centre. Within the government, the proposed project will communicate with the Department of the European Union at MOEPP and with similar departments in other participating ministries in order to avoid any duplication of activities. The National Climate Change Committee (NCCC) will also serve as a two-way communication channel on activities that are relevant to the project; for example, the NCCC has a representative from the Office of the Deputy Prime Minister in charge of economic issues, which is involved in both the Sustainable Development Goals and EU integration. Finally, the project team will liaise with the EU delegation regarding activities that are co-financed with EU funds.

Communication will also be maintained with bilateral donors who are active in the country in the area of environment and sustainable development.

The table below provides an overview of specific projects with which the CBIT project will coordinate closely.

Project	Donor	Implementing Agency	Timeframe	Status
Macedonia's Fourth National Communication and Third Biennial Update Report on Climate Change under the UNFCCC	GEF	UNDP	2018-2022	Ongoing
Developing climate change policy and legislation and capacity strengthening activities under the auspices of the Energy and Climate Regional Accession Network (ECRAN) and under the Joint Research Centre (preparation of a Law and a Strategy on Climate Action)	EU – IPA funds	Selection of consulting company underway	2018-2021	Initiated
National Adaptation Plan	GCF	UNDP	2019-2022	Project proposal under development
Clima Proof - Enhancing Environmental Performance and Climate Proofing of Infrastructure Investments in the Western Balkan Region from an EU integration perspective	Austrian Development Agency	UN Environment	2016 - 2019	Ongoing

Risks and Assumptions: There are no social and environmental risks that can threaten the achievement of the project results. The main external risk for the project delivery relates to the political situation in the country and extraordinary and/or regular presidential, parliamentary and local elections, which are expected to happen during the lifetime of the project implementation. In order to mitigate this risk, the project team will maintain a non-partisan stance, and its focus on the mission of bringing tangible project results while standing ready to respond to possible shifts in national priorities.

Project risks and the proposed approach to mitigation are summarized in the Risk Log in Annex F.

Stakeholder engagement plan: The proposed project approach and activities are the result of an ongoing dialogue with stakeholders. MOEPP, the implementing partner for the project, has discussed its institutional needs with regards to transparency activities, and the proposal incorporates these discussions. Other sectoral ministries, the executive branch of government, academia, and civil society organizations have been consulted in the context of their participation in the National Climate Change Committee (NCCC), which has provided input and feedback on

national reports to the UNFCCC such as the National Communications and the BURs, including the SBUR findings and recommendations regarding MRV.

An overview of relevant stakeholders with their current responsibilities and proposed project roles is provided in the table below. In the inception phase of the project, the list will be further expanded. In addition, Annex K of this document provides a list of participants in the stakeholder consultation process held during the project preparation period.

Stakeholder	Responsibility	Project Role
MOEPP	<ul style="list-style-type: none"> • Key governmental body responsible for coordinating implementation of the provisions of the UNFCCC and related agreements • Key governmental body responsible for development of climate change policies and strengthening the institutional cooperation in the area of climate change • Coordinates the National Climate Change Committee • Responsible for reporting progress in climate change-related progress • National Focal Point to the UNFCCC is the State Advisor on Climate Change in the MoEPP 	MOEPP will serve as the implementing partner for the project and MOEPP will be involved directly in the design of the proposed MRV Unit within the Ministry under Component 1.
NCCC	<ul style="list-style-type: none"> • Established by the Government, consisting of representatives of all relevant stakeholders: government bodies, academia, private sector and civil society • The NCCC is a participatory platform aimed at providing high-level support and guidance for overall climate change policies in the country 	The NCCC will serve as the project steering committee.
Ministry of Economy	<ul style="list-style-type: none"> • Key governmental body responsible for development of energy-related policies • Implements many of the policies, activities and projects that directly and indirectly impact climate change mitigation in the energy sector • Key governmental body responsible for reporting to the Energy Community 	The Ministry will be represented on the NCCC and will participate in capacity strengthening, training and communication activities in Components 1 and 2. It may also provide important inputs to the policies and strategies supported under Component 2.3.
Other Ministries	<ul style="list-style-type: none"> • The Ministry for Transport and Communications is the governmental body responsible for transport policy, housing and communal affairs, urban planning, management of construction land, and maintains the national vehicle registry • The Ministry of Agriculture, Forestry, and Water Economy is a key partner and beneficiary in agriculture (including irrigation), forestry, fisheries, and livestock. • The Ministry of Labor and Social Policy is responsible for gender issues, social inclusion and jobs-related issues 	These ministries (and others) will be represented on the NCCC and will participate in all project components, through training, sectoral analyses, and the tracking system.

Stakeholder	Responsibility	Project Role
	<ul style="list-style-type: none"> The Ministry of Health responsible for health and climate change vulnerability and adaptation policies 	
The State Statistical Office (SSO)	<ul style="list-style-type: none"> Key governmental body responsible for collecting, processing, and disseminating data about the demographic, social, and economic situation in the country. They also provide statistical data to international organizations. 	The SSO will be represented on the NCCC and will work closely with the project team on data collection and reporting issues related to the tracking system and on gender-disaggregated statistics
Academia	<ul style="list-style-type: none"> Primary source of research on climate change issues and other key sectoral issues (energy, agriculture) and cross-cutting issues (gender) Channel for providing country-specific climate change research to the international research community via conferences and publications 	Representatives of the research and teaching community serve on the NCCC, and experts will form an important consultative group for the national networks of practitioners established under Component 1.3.
Civil Society	<ul style="list-style-type: none"> Source of training capacity Experience with gender issues Experience with climate change issues Networks in rural areas 	Civil society organizations are represented on the NCCC. They will contribute to national networks of practitioners (Component 1.3), gender-related analysis and training, and the dissemination of project results throughout the country.
European Union	<ul style="list-style-type: none"> Key source of legislative and policy support for climate change action, particularly future climate legislation Source of financing for mitigation activities through the IPA-2 funding window Source of co-financing for project activities Source of support for regional low-carbon planning work 	The EU delegation and any relevant offices of the European Commission will be consulted regarding their current and planned activities in environmental information systems and climate change in order to maximize coordination on climate change legislation and training and to avoid the duplication of activities and information systems (see Section 5 for additional information).
Donor Community	<ul style="list-style-type: none"> Bilateral donors form a significant source of support for climate change-related capacity strengthening activities, including support for MRV systems at the municipal level Multilateral donors support capacity strengthening and investments in climate change mitigation and adaptation. Specifically, the GEF has provided financial support for reporting to the UNFCCC and associated capacity strengthening The donor community represents a current and future source of climate finance 	The project will liaise with the donor community on a regular basis throughout implementation and will work with donors on effective in-country reporting of financial support received for climate change and on climate finance readiness and project pipelines and screening.

Gender equality and empowering women:

The country plans to begin to implement a gender/climate action plan in 2018 that will outline concrete steps and responsibilities related to integrating gender considerations into both UNFCCC reports. The proposed project will work closely with the government to ensure that the project activities can enhance the implementation of this action plan. With an aim to ensure gender mainstreaming, the implications for men and women of relevant action, including legislation, policies or programmes will be assessed. In this way, women's and men's concerns and experiences could become an integral dimension of all development efforts.

In addition, the country has also supported the submission of Bulgaria and the European Commission on behalf of the European Union in response for a call for submissions regarding the draft UNFCCC Gender Action Plan.³ Under its section on monitoring and reporting, the submission cites two studies by the European Institute on Gender Equality⁴ regarding women's underrepresentation in decision-making and differences in adaptation and mitigation strategies and the effects of climate change. It also cites the IPCC 5th Assessment Report on differences in vulnerability and exposure.

In terms of project preparation, the project draws directly upon the feedback and experiences gathered from the UNDP sub-regional workshop in Skopje on Gender Equality and MRV, which was held in December 2017. The workshop, which was supported by the UNDP/UNEP GSP, focused on putting the Gender Responsive National Communications Toolkit into practice. The target audience for the training consisted of experts overseeing country reports, government gender experts, and officials from government agencies serving as UNFCCC focal points. The project preparation has also ensured that the project approach and activities are consistent with the GEF Gender Equality Action Plan. As the 2015 UNDP Gender Responsive National Communications Toolkit notes, "Integrating gender into climate change reporting is a particular challenge because many environmental specialists may not be familiar with gender analysis approaches and gender specialists may not have experience in climate change" (UNDP 2015: 53). For this reason, the project will address gender directly through specific activities as part of Outputs 1.4, 2.4 and 3.4.

Furthermore, this project is designed to conform to 2018 guidance from the GEF on gender equality,⁵ and it has met the following requirements for actions prior to GEF CEO endorsement.

- Annex I references a **gender analysis** as recommended under GEF procedures.
- A **gender action plan** is included as Annex I.2 in order to ensure that differences identified will be addressed.
- The **project results framework** includes gender-specific activities, and It also includes targets for women's meaningful participation, and the project monitoring and evaluation budget supports the collection of gender-disaggregated data.

Gender is also seen as a key component of the project's holistic approach for MRV, and it will be addressed throughout the project cycle in the following way:

- 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.
- The project targets and activities will be monitored in **project reporting**, both in annual reports and in the terminal evaluation.

³ Submission by Bulgaria and the European Commission on Behalf of the European Union, 21 March 2018, Sofia.

⁴ EIGE (2012) *Gender Equality and Climate Change* and EIGE (2016) *Gender and Environment in Climate Change*.

⁵ GEF (2018). *GEF Policy on Gender Equality*.

South-South and Triangular Cooperation:

The Global Support Programme (GSP) facilitates the collaboration and exchange of knowledge and experience among the Western Balkan countries, in order to move from ad hoc project-based support to sustained institutional capacity. Under the auspices of the GSP a draft “Balkans Action plan for integrating gender aspects responsiveness into the preparation of the Climate Reports” was prepared. With GSP support, in December 2017 a regional workshop “Supporting the integration of gender considerations into MRV/transparency processes in the Western Balkan Countries” was held in Skopje. Representatives from all Western Balkan countries, as well as Lebanon, and representatives from the GSP, UNDP and UNFCCC participated at this event, which was the first one of a series of similar workshops that are planned to be organized during the implementation of the National Communications and BURs. At the second meeting, that was held in Belgrade in mid-November 2018, the countries’ representatives presented their national roadmaps/action plans, highlighting experiences and good practices on how to translate gender and climate change linkages into more effective climate change action. Additionally, inputs and useful elements have been provided on integration of gender considerations into MRV, with example how stakeholders could be included in the process. Country representatives have further developed their action plans based on the new inputs and lessons learnt generated in this workshop. Furthermore, the project will share project reports, methodological tools, and lessons learned to the CBIT Global Coordination Platform in order to share its experiences and approaches with other non-Annex I countries.

Innovation, Sustainability, and Scaling Up:

The proposed project is innovative in a number of ways. At the country level, the work of the new MRV unit to streamline reporting for multiple commitments will represent a significant step forward for the country. In addition, the budget analysis in order to determine a national baseline on climate spending will be a first for the country, and it will provide an example that will be highly relevant to other countries in the region. The project also has several features that are highly innovative and can contribute to international developments in climate change: 1) it will develop MRV methodologies for adaptation; and 2) it will pilot the integration of climate change-related information into sectoral policies.

The project is designed to be sustainable in two ways: 1) It focuses on strengthening and utilizing the capacity of existing institutions rather than creating new structures; and 2) It shifts from a project-based model of MRV to a continuous process model. In the long-term, support from both the government and from EU accession (IPA-2) funds is anticipated for the MRV unit that will be established as Output 1.1 under the project. The establishment of this unit and supporting capacity strengthening activities will meet a current acute gap, as IPA-2 funding at present is focused on legislative and regulatory support rather than capacity strengthening. However, the certainty of longer-term financial support for the unit is relatively high, as EU funding for technical support for climate change, which totaled USD 4.017 million from 2014-2017 from the EU and USD 0.399 from the IPA CBC instrument, is expected to increase. It should also be noted that the Government has also undertaken investments in climate change activities; in the SBUR, this support is estimated at 1.97% of government spending (SBUR Section 5.4.2).

The potential to scale up certain components of the project is high, as good practice in MRV will be applicable to other international conventions and national-level project monitoring. There is also significant potential to scale up training materials, toolkits, and software applications created by the project in other countries in the region. Other approaches developed for monitoring adaptation projects, classifying and monitoring support received, and mainstreaming gender considerations into MRV can be shared at a regional or even global level through organizations such as the Global Support Programme, the Global Coordination Platform, and the Open Climate Working Group.

IV. PROJECT MANAGEMENT

Cost efficiency and effectiveness:

The project will deploy numerous measures to achieve cost effectiveness. In terms of procurement, outsourcing of services will be based on a transparent and competitive process, as well as on the value-for-money principle. For further cost efficiency, the project will make use of existing collaboration with responsible institutions (provided in the chapter on target groups and beneficiaries), as usage of their information and data on climate change-related topics will reduce additional costs related to this phase of project implementation.

The project is also expected to result in increased effectiveness on the part of implementing partners and other organizational stakeholders by streamlining the data collection and consolidating and automating the reporting process. These steps should save time and money. Increased coordination among stakeholders should also improve the cost-effectiveness of MRV activities by reducing duplication and overlap in activities.

Project management:

The project will be implemented under the Support to NIM modality where UNDP shall act as a responsible party for the provision of support services to the national implementing partner i.e. the Ministry of Environment and Physical Planning, in accordance to the Standard Basic Assistance Agreement between the Government and the United Nations Development Programme, signed by the parties on 30 October 1995, and the Country Programme.

The Implementing Partner for this project is the Ministry of Environment and Physical Planning. 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 UNDP resources. The Implementing Partner will give support to the project through the provision of premises for the project office, as well as conference and meetings, whenever feasible. It will also provide support for preparation of GHG inventories through the staff time of the Informative Centre within MoEPP. The staff of the Public Relations Office within the Ministry shall provide support in communicating the project outcomes to the key stakeholders.

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 UNDP office will provide substantive as well as administrative support services for activities within the Project Document/Annual Work Plan and in accordance with the regulations, rules and procedures of UNDP and GEF. The support services the UNDP office shall provide are: identification and recruitment of programme or project personnel, procurement of goods and services, processing of payments, disbursements and other financial transactions, travel authorizations etc. The nature and scope of these services shall be described in more details in the Letter of Agreement (Annex G) which will be signed between the UNDP Resident Representative and the Minister of Environment and Physical Planning.

As responsible party, UNDP would be accountable for any specific services provided under such agreement to the implementing partner. UNDP regulations, rules, policies and procedures shall apply in providing the support services by UNDP. UNDP Direct Project Services as requested by Government will be charged in line with the GEF rules on DPCs. Financial transactions and financial statements shall be subject to the internal and external auditing procedures laid down in the Regulations and Rules of UNDP.

This type of implementation modality has been agreed due to the specific situation in the country. Namely, as the EU candidate country, the Republic of North Macedonia is in the transitional process of adjusting its institutional

and regulatory frameworks to the requirements of the EU in all relevant areas. This includes the Ministry of Environment and Physical Planning which is currently in the process of transposing relevant Climate Action package and modifying the existing internal institutional set-up. All these processes are engaging significant human and other resources, and require additional capacities that will enable the Ministry to cope with the regular and new responsibilities. However, UNDP will make particular efforts in order to ensure future sustainability, and close collaboration with the Ministry of Environment and other national stakeholders shall work out measures to build up the national capacities as part of the project implementation.

The National Climate Change Committee (NCCC), which is established by the Government, will continue to be the overarching political platform, providing a high-level support for the development and realization of the climate change activities. It comprises of the key stakeholders from national institutions, research and educational entities, private sector and civil society. The NCCC will also provide policy guidance to the project strengthening the inter-institutional coordination on climate change thus giving sustainability to the preparation process of national communications and biennial update reports.

The project will be managed by a small team consisting of a Project Manager and a Project Assistant. The Project Manager shall also manage the project for the development of the 4th National Communication and the 3rd BUR and her/his salary shall be cost-shared with this project. The salary of the Project Assistant shall be shared proportionally with at least one more project in the environmental portfolio.

The Government will give support to the project through the provision of premises for the project office, as well as conference and meetings, whenever feasible. It will also provide support for preparation of GHG inventories through the staff time of the Informative Centre within MoEPP. The staff of the Public Relations Office within the Ministry shall provide support in communicating the project outcomes to the key stakeholders.

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 Policy⁶ and the GEF policy on public involvement.⁷

⁶ See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

⁷ See https://www.thegef.org/gef/policies_guidelines

V. PROJECT RESULTS FRAMEWORK:

<p>This project will contribute to the following Sustainable Development Goal (s): SDG 13 - Take urgent action to combat climate change and its impacts and SDG target 16.6: Develop effective, accountable and transparent institutions at all levels</p> <p>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document: Outcome 4. By 2020, individuals, the private sector and state institutions base their actions on the principles of sustainable development and communities are more resilient to disasters and environmental risks CPD Outcome Indicator: 4.1. Greenhouse gas (GHG) emissions (CO2 eq kT) Baseline (2012): 12,707.74 Target (2020): 11,309.89</p> <p>This project will be linked to the following output of the UNDP Strategic Plan: Output 1.4: Scaled up action on climate change adaptation and mitigation cross sectors which is funded and implemented.</p>					
Objective and Outcome Indicators	Baseline	Mid-Term Target	End of Project Target	Data Collection Methods and Risks/Assumptions	
<p>Project Objective: To assist the country with meeting enhanced transparency requirements as defined in Article 13 of the Paris Agreement by strengthening institutional and technical capacity for measuring and reporting on emissions, mitigation and adaptation activities, and support received</p>	<p>5* <u>Indicator 1 (CBIT II) Indicator 3):</u> Quality of MRV Systems*</p>	--	7*	<p>Data Collection Methods: Project Documentation Structured Interviews Beneficiary survey Official Gazette of RM Final Project Evaluation Report <u>UNFCCC web site</u></p> <p>Risks: Political turmoil and change of Government priorities</p> <p>Assumptions: Stable political situation and firm commitment of the Government to fulfil its commitments towards the UNFCCC and the Paris Agreement</p>	
	<p>2** <u>Indicator 2: (CBIT II indicator 4):</u> Status of Convention obligations on reporting, including mitigation contribution</p>	<p>3BUR endorsed by the Government and submitted to the UNFCCC by Q1 2020</p>	<p>Updated NDC endorsed by the Government and submitted to the UNFCCC by Q4 2020</p>		
	<p>5): <u>Indicator 3 (CBIT II indicator 5):</u> Qualitative Assessment of Institutional Capacity for Transparency-Related Activities**</p>	<p>29, out of which 12 are women</p>	<p>50 of project beneficiaries, 20 of whom are women</p>	<p>3**</p>	
<p><u>Indicator 4:</u> Number of direct project beneficiaries disaggregated by gender as co-benefit of GEF investment</p>			<p>120 of project beneficiaries, 60 of whom are women</p>		

Component/Outcome 1 Institutional capacity strengthening for MRV	Indicator 5: Existence of a designated CC MRV unit at MoEPP.	MoEPP does not have a designated unit for CC MRV	MRV unit established at MOEPP to oversee climate change reporting on national and international commitments	MRV unit continues to function and oversee climate change reporting on national and international commitments	Data Collection Methods: Project documentation, MoEPP documentation Open Governance Partnership Report Survey Risks: Lack of resources on the part of the government to support the infrastructure for the new unit. Assumptions: The NCCC will assure inter-agency coordination on issues related to MRV
	Indicator 6: Quality of transparency activities undertaken by government organizations	5	-	7	
	Indicator 7: Presence of national networks established of staff responsible for MRV within the key relevant government organizations, as well as local experts.	No network existing	-	Network established	
Component/ Outcome 2 Training and tools for activities conducted under Article 13	Indicator 8: Level of capacity to ensure gender equality and equity in climate change projects	Gender and Climate Change Action Plan developed	-	At least 30% of the Action Plan implemented	
	Indicator 9: Number of toolkits on MRV for Climate Change Mitigation and Climate Change Adaptation: a) developed b) used	a) Country-specific toolkits on MRV are not available, and there is a general shortage of information on MRV in adaptation. b) 0	a) 5 toolkits on MRV are available to stakeholders b) 2	a) 8 toolkits on MRV are available to stakeholders b) Employees working in at least 3 government agencies report using the toolkits in their work	Data Collection Methods: Training manuals and technical documentation Reports, strategies and plans on national and local levels. Stakeholder interviews/questionnaires/surveys Risks: Unwillingness to incorporate the findings and recommendations into

<p>Indicator 10: Integration of transparency concepts into key sectoral policies/legislation</p> <p>Indicator 11: Country-specific training on gender and climate change</p> <p>Indicator 12: Level of dissemination of knowledge products produced by the project</p>	<p>Transparency concepts are not currently integrated into key sectoral policies and/or legislation.</p> <p>General materials exist, but sectoral ministries require country-appropriate, sector-specific information</p> <p>0 (no knowledge products on MRV produced)</p>	<p>At least 3 sector-specific trainings on gender issues have been developed and delivered for sectoral ministries</p> <p>Knowledge products generated by the project to date are available on the internet.</p>	<p>At least 2 policies or laws integrate transparency concepts.</p> <p>A gender module has been developed for delivery in the context of climate finance training</p> <p>All knowledge products generated by the project are available on the internet, including a list of these products.</p>	<p>relevant policy instruments that will facilitate investments in low carbon development, especially for the industry and private sector;</p> <p>Assumptions: Government employees will have sufficient time to complete training Strong commitment from the national and local governments to invest in capacity building and increasing human and financial resources for establishment and operationalization of a national MRV system.</p>
<p>Component / Outcome 3 Design and implementation of a sustainable national MRV system</p>	<p>Indicator 13: A national platform fully functional to manage transparency data and report on NDC progress</p> <p>Indicator 14: Number of government agencies reporting data to the national platform on a regular basis</p>	<p>0</p> <p>0</p>	<p>1</p> <p>4</p>	<p>Data Collection: Institutional arrangements of transparency system (Law on Climate Action and respective bylaws) MoUs with relevant institutions Interviews with agency personnel</p> <p>Risks: Insufficient human and financial resources for operationalization of a national</p>

	Indicator 15: Number of government agencies accessing data and information on the national platform	0	4	10	platform/MRV system
	Indicator 16: Number of MRV tools that incorporate Gender-sensitive measurement and reporting	0	0	2	

* 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.

VI. MONITORING FRAMEWORK AND EVALUATION

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. While these UNDP requirements are not outlined in this project document, 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 policies⁸.

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 across all GEF-financed projects in the country.

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 and provided to the UNDP Country Office for recording in the UNDP web-based monitoring tools, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. gender strategy, KM strategy 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 any and all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary and appropriate. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used by 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 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 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

⁸ See https://www.thegef.org/gef/policies_guidelines

at the output level are developed and 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 in order to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office and/or the GEF Independent Evaluation Office.

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 according to UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.⁹

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 OFF in M&E;
- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the National Strategy on Equal Opportunities between Men and Women and its National Action; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the 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 prepared in one of the official UN languages, duly signed by designated persons, 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 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.

Annual progress:

Status Survey Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out once a year, in line with GEF and UNFCCC reporting requirements for NCs and BURs.

⁹ See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

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.

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.

End of Project:

During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results. The Project Terminal Report 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 ¹⁰ (US\$)		Time frame
		GEF grant	Co-financing	
Inception Workshop	UNDP Country Office	USD 3,000	None	Within two months of project document signature
Inception Report	Project Manager	None	None	Within one month of inception workshop
Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP	UNDP Country Office	None	None	Quarterly, annually
Risk management	Project Manager Country Office	None	None	Quarterly, annually
Monitoring of indicators in project results framework	Project Manager	None	None	Annually
GEF Project Implementation Report (PIR)	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
NIM Audit as per UNDP audit policies	UNDP Country Office	USD 10,000 (in total)	None	Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation	Project Manager	None	None	Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Manager UNDP CO	None	None	On-going
Addressing environmental and social grievances	Project Manager UNDP Country Office <i>BPPS as needed</i>	None for time of project manager, and UNDP CO	None	Costs associated with missions, workshops, BPPS expertise etc. can be charged to the project budget.
Project Board meetings	Project Board UNDP Country Office Project Manager	6x500= USD 3,000	None	At minimum annually
Supervision missions	UNDP Country Office	None ¹¹	None	Annually
Oversight missions	UNDP-GEF team	None ¹¹	None	Troubleshooting as needed
Knowledge management	Project Manager	USD13,200 (1% of GEF grant) ¹²	None	On-going

¹⁰ Excluding project team staff time and UNDP staff time and travel expenses.

¹¹ The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ¹⁰ (US\$)		Time frame
		GEF grant	Co-financing	
GEF Secretariat learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF team	None	None	To be determined.
Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response	Project Manager and Team and IC/Evaluator	USD 20,000	None	At least three months before the end of the project
Project Terminal Report	Project manager and team; UNDP CO; Project Board	None ¹⁰	None	At least three months before the end of the project
TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses		USD 49,200	None	

¹² Covered under budget line items 1 and 2 under Section IX of this document.

VII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

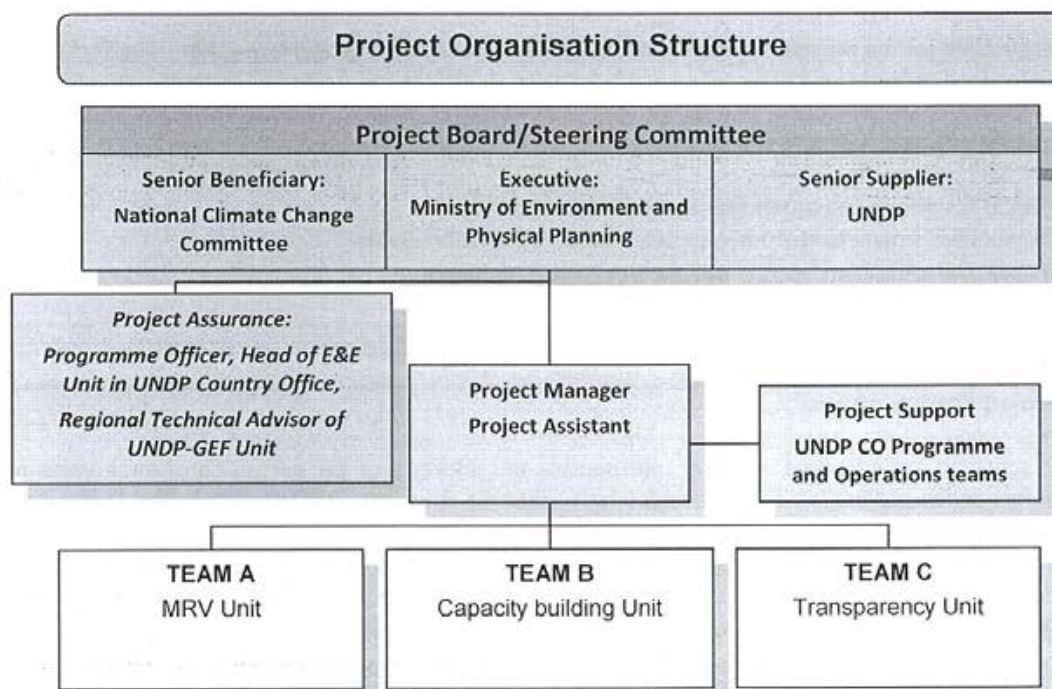
Roles and responsibilities of the project's governance mechanism: The project will be implemented under the Support to NIM modality where UNDP shall act as a responsible party for the provision of support services to the national implementing partner i.e. the Ministry of Environment and Physical Planning, in accordance to the Standard Basic Assistance Agreement between the Government and the United Nations Development Programme, signed by the parties on 30 October 1995, and the Country Programme.

The **Implementing Partner** for this project is the Ministry of Environment and Physical Planning. 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 UNDP resources.

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 project organisation structure is as follows:



Project Board: The Project Board 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 shall 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.

A Project Board (PB) will be established as the main body responsible for the overall direction and management of the project. It will consist of high level representatives from the Ministry of Environment and Physical Planning (Deputy Minister, State Secretary or State Advisor on Climate Change), the Chair of the National Climate Change Committee and the UNDP Deputy Resident Representative.

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.

Executive: The Executive is an individual who represents ownership of the project who will chair the Project Board. This role will be held by a high representative from the Ministry of Environment and Physical Planning, on the level of a Deputy Minister, State Secretary or a State Advisor on Climate Change.

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 should ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities: (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;
- Organise 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. UNDP will have a role of a Senior Supplier, and it will be represented by the Deputy Resident Representative.

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

- 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 will be held by the Chair of the National Climate Change Committee.

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.

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

- 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.

The project will be managed by a small team consisting of a Project Manager and a Project Assistant. The Project Manager is expected to manage the complementary Macedonia's Fourth National Communication and Third Biennial Update Report on Climate Change under the UNFCCC project and her/his salary shall be cost-shared with this project. The salary of the Project Assistant shall be shared proportionally with at least two other projects in the environmental portfolio.

Project Manager: 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. Specific responsibilities 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, 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;
- 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.
- 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. The Programme Officer, Head of E&E Unit shall provide a project assurance role on a Country Office Level, the Regional Technical Adviser from the Istanbul Regional Hub shall have this role on a regional level, and a respective Adviser from UNDP GEF will have this role on a HQ level.

Governance role for project target groups: Considering the importance of the responsible government institutions in climate-related reporting (i.e. MOEPP and the National Climate Change Committee), these target groups will have a direct role in governing and project management through their involvement in the Project Board. Representative of other key stakeholders (the State Statistical

Office; the Ministry of Economy; the Ministry of Agriculture, Forestry, and Water; the Ministry of Labour and Social Policy; and other relevant government agencies and NGOs) will be involved in project governance through their roles on the National Climate Change Committee, as they have valuable knowledge and experience related to data collection and reporting processes and procedures in the country.

VIII. FINANCIAL PLANNING AND MANAGEMENT

The total cost of the project is USD 2,730,000. This is financed through a GEF grant of USD 1,320,000, and USD 1,410,000 in parallel co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources only.

Parallel co-financing: The actual realization of project co-financing will be monitored and will be reported to the GEF. The planned parallel co-financing will be used as follows:

Co-financing source	Co-financing type	Co-financing amount	Planned Activities/Outputs	Risks	Risk Mitigation Measures
Government – Ministry of Environment and Physical Planning	In kind	10,000 USD	<ul style="list-style-type: none"> *Premises of the project office *Office costs (electricity, heating, etc.) *Staff time of the UNFCCC Focal Point and other relevant staff supporting the project and participating in the project activities (e.g. staff of the Informative Centre will support the preparation of GHG inventories, the Public Relations Office within the Ministry will provide support in communicating the project outcomes to the key stakeholders) 	No risks identified	The project team shall alert the Project Board if any issues regarding the co-financing occurs during the project implementation
European Commission	In kind	1,400,000 USD	<ul style="list-style-type: none"> *Background analytical reports on specific strategic and legal issues related to the anticipated Strategy and Law on Climate Change. *Comprehensive assessment of capacity to implement the Strategy and Law. *Draft legal text and text of necessary secondary legislation *Draft Action Plan *Strategic Environmental Impact Assessment report of the proposed Strategy *Training activities in support of the new Law and Strategy *Awareness-raising and visibility activities related to emerging climate change policies and measures in the country 	Delay of planned project start due to slow EU administrative procedures	Close cooperation and follow up with MOEPP and EU

UNDP Direct Project Services as requested by Government: 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 may request UNDP direct services for specific projects, according to its policies and convenience. The UNDP and Government 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 G). 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).

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 as these are considered major amendments by 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).

Refund to Donor: 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.¹³ 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 file¹⁴.

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.

¹³ See <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

¹⁴ See https://popp.undp.org/layouts/15/Wopiframe.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Management_Closing.docx&action=default.

IX. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan	
Atlas Proposal or Award ID:	00102125
Atlas Proposal or Award Title:	Capacity Building for Transparency
Atlas Business Unit	MKD10
Atlas Primary Output Project Title	Cap. Build. for CC Transparency
UNDP-GEF PIMS No.	6223
Implementing Partner	Ministry of Environment and Physical Planning
Atlas Primary Output Project ID:	00104295

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: Institutional capacity strengthening for MRV	UNDP	62181	GEF	71200	International Consultants	17,750	0	16,650	34,400	[1]
				71300	Local Consultants	56,100	53,100	53,100	162,300	[2]
				71600	Travel	3,350	1,000	2,350	6,700	[3]
				72100	Contractual services - Companies	35,000	40,000	22,000	97,000	[4]
				72400	Communication & Audio Visual Equip	3,000	2,000	2,000	7,000	[5]
				72800	Information Technology equipment	4,600	0	0	4,600	[6]
				74200	Audio Visual & Print Prod Costs	1,000	0	0	1,000	[7]
				75700	Training, workshop, conference	5,000	5,000	5,000	15,000	[8]
					Total Outcome 1	125,800	101,100	101,100	328,000	
OUTCOME 2: Training and tools for activities conducted under Article 13	UNDP	62181	GEF	71200	International Consultants	14,000	21,000	0	35,000	[9]
				71300	Local Consultants	35,000	30,000	25,000	90,000	[10]
				71600	Travel	3,500	3,500	1,000	8,000	[11]
				72100	Contractual services - Companies	1,500	1,500	4,000	7,000	[12]
				72400	Communication & Audio Visual Equip	6,000	3,000	3,000	12,000	[13]

				Information Technology equipment	4,000	0	0	4,000	[14]
				Audio Visual & Print Prod Costs	3,000	2,000	0	5,000	[15]
				Training, workshop, conference	53,000	50,000	22,000	125,000	[16]
				Total Outcome 2	120,000	111,000	55,000	286,000	
OUTCOME 3:				International Consultants	28,000	28,000	1,400	57,400	[17]
				Local Consultants	130,000	130,000	125,000	385,000	[18]
				Travel	3,700	3,700	1,200	8,600	[19]
				Contractual services - Companies	40,000	20,000	0	60,000	[20]
				Communication & Audio Visual Equip	5,000	6,000	6,000	17,000	[21]
			GEF	Information Technology equipment	10,000	10,000	0	20,000	[22]
				Contractual services Audit	0	0	10,000	10,000	[23]
				Audio Visual & Print Prod Costs	0	10,000	10,000	20,000	[24]
				Training, workshop, conference	3,000	3,000	2,000	8,000	[25]
				Total Outcome 3	219,700	210,700	155,600	586,000	
Project management unit				Service Contract	24,000	36,000	40,000	100,000	[26]
			GEF	Direct project costs – Staff	3,000	3,000	3,000	9,000	[27]
				Direct Project Costs – General Operating Expenses (GOE)	4,000	3,500	3,500	11,000	[28]
				Total Management	31,000	42,500	46,500	120,000	
				PROJECT TOTAL	496,500	465,300	358,200	1,320,000	

Project Budget Notes

Atlas Category	Atlas Code	Budget Notes
[1] International Consultants	71200	<p>IC / CC Specialist for inception workshop (USD 550/day, 20 days)</p> <p>IC / Evaluator for Terminal Evaluation (USD 650/day, 18 days)</p> <p>IC/ CC Knowledge Management Specialist for Lessons Learned Report (USD 650/day, 16 days)</p>
[2] Local Consultants	71300	<p>Public Administration Specialist to conduct functional analysis of the Climate Change Unit at MOEPP and to prepare a financial roadmap for the MRV unit (USD 250/day, 104 days)</p> <p>IT/MRV Specialist to provide on-call support to the MRV unit at MOEPP (USD 250/day, 140 days)</p> <p>Climate Finance Specialist to undertake climate change budget review and provide recommendations on the NDC (USD 300/day, 121 days)</p> <p>Knowledge Management Specialist to establish and maintain national MRV staff network and to establish and maintain networks of sectoral practitioners (USD 250/day, 150 days)</p> <p>Gender Specialist to provide support to Government Gender-CC Focal Point, screen climate finance projects, conduct sector gender analysis (USD 250/day, 110 days)</p> <p>Translation / proofreading</p>
[3] Travel	71600	<p>Travel expenses for attending relevant workshops and network meetings; travel expenses for promotion of the revised NDC</p> <p>Travel and DSA for international consultants</p>
[4] Contractual Services, Companies	72100	<p>Contract to implement National Climate Change Communication Strategy</p> <p>Contract to conduct stakeholder outreach for key groups</p>
[5] Communications and Audio Visual Equipment	72400	<p>Communications and AV equipment in support of the MRV Unit at MOEPP and related to the NDCs</p>
[6] Information Technology Equipment	72800	<p>Three PCs and laptops for Project Management Unit</p>
[7] Audio Visual Print Production Costs	74200	<p>Production of Printed Project Information Sheets and Other Outreach Materials for Stakeholders and the Public</p>
[8] Training, Workshop, Conference	75700	<p>Relevant trainings and meetings for MRV Government Staff Network</p> <p>Relevant trainings and meetings for practitioner networks</p>
[9] International Consultants	71200	<p>IC / Transparency Expert (USD 700/day, 28 days). Co-author and peer reviewer for adaptation MRV plan, the proposed approach to AFOLU, and the recommended approach to MRV for Article 13, para. 10 (financial support received)</p> <p>IC/ Disaster Risk Reduction (USD 550/day, 28 days). Peer reviewer for sectoral integration recommendations</p>
[10] Local Consultants	71300	<p>Technical Advisors to develop an adaptation MRV plan, the proposed approach to AFOLU, and the recommended approach to MRV for Article 13, para. 10 (financial support received) (USD 250/day, estimated 100 days).</p> <p>Legal Consultant to identify entry points for climate change issues into sectoral legislation and to draft suitable text for CC integration (USD 250/day, estimated 30 days)</p> <p>Consultant to conduct a government budget analysis of baseline spending on CC-related issues (USD 300/day, estimated 50 days).</p> <p>DRR Specialist to conduct analysis and provide recommendations on the integration of CC considerations into DRR policies and measures (USD 250/day, estimated 70 days).</p> <p>Training Specialist to conduct a training assessment among stakeholders, develop a training</p>

		<p>plan for the project, and organize training of trainers where necessary (financial support received) (USD 250/day, estimated 50 days)</p> <p>Gender Specialist to develop and conduct a training module on gender-CC for the NCC and for gender stakeholders and to develop and deliver a gender-CC training module for climate finance readiness (financial support received) (USD 250/day, estimated 50 days)</p> <p>Translation / proofreading</p>
[11] Travel	71600	<p>Travel expenses for attending relevant training workshops</p> <p>Travel and DSA for international consultants</p>
[12] Contractual Services – Companies	72100	<p>Project Inception Workshop</p> <p>Lessons Learned Reports</p>
[13] Communication and Audio-Visual Equipment	72400	<p>Communications and AV equipment in support of trainings and meetings and to disseminate research and training materials to other SEE countries</p>
[14] Information Technology Equipment	72800	<p>IT equipment used for the delivery of training.</p>
[15] Audio Visual and Print Production Costs	74200	<p>Training materials and resource manuals</p>
[16] Training, Workshop, Conference	75700	<p>Relevant trainings and meetings for NCCC on Gender, for gender stakeholders on climate change, and for journalists and the media</p> <p>Consultations in support of the development of the training plan</p>
[17] International Consultants	71200	<p>IC / MRV Expert (USD 700/day, 63 days). Provision of guidance and inputs on international best practice to the consultants and contractors establishing the continuous MRV system.</p> <p>IC / Disaster Risk Reduction (USD 665/day, 20 days). Peer review of recommendations on the MRV system and DRR data and information needs.</p>
[18] Local Consultants	71300	<p>Information Systems Consultants (USD 300/day, estimated 400 days). Provide support to the project team in drafting ToRs and tendering documentation for the design and launch of the MRV system. Provide support to project stakeholders in using the system, identifying areas for improvement, and supporting refinement of the system.</p> <p>MRV specialists (USD 400/day, estimated 400 days). Oversee the linkages of the MRV system to NDC monitoring and reporting. Provide suggestions on MRV for specific CC mitigation measures under the NDC and on data collection and data quality as needed. Draft the NDC report.</p> <p>DRR specialist (USD 250/day, estimated 190 days). Provide recommendations on DRR-related data in the new MRV system and linkages with DRR data collection and reporting.</p> <p>Gender specialist (USD 250/day, estimated 190 days). Analyse the use of gender-disaggregated data in the MRV system; provide best practice information and recommendations to the MRV team; conduct a baseline analysis of gender-responsive budgeting</p> <p>Translation / proofreading</p>
[19] Travel	71600	<p>Travel expenses for attending relevant training workshops</p> <p>Travel and DSA for international consultants</p>
[20] Contractual Services – Companies	72100	<p>Contract for the design and programming of an integrated information system, interface for the MRV system and existing databases, user interface for the MRV system established for reporting and data visualization</p>
[21] Communication and Audio Visual Equip	72400	<p>Communication in support of the launch of the MRV system and the reporting on the NDC and its specific measures</p>
[22] Information Technology Equipment	72800	<p>Servers and supporting equipment for MRV system</p>

[23] Contractual Services - Audit	74100	Project Financial Audits as per UNDP and GEF requirements (\$10,000)
[24] Audio Visual and Print Prod Costs	74200	Reporting result sharing with UNFCCC, GEF CBIT, and other stakeholders Publication on best practice with gender and MRV
[25] Training workshop conference	75700	Support for regular technical working group meetings Meeting to launch the NDC report and showcase the new system
[26] Service Contract	71400	Project Manager and Assistant salaries (assuming 50% cost-sharing for Project Manager and Project Assistant in 2019, 75% cost-sharing 2020).
[27] 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>
[28] 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> .

Summary of Funds:¹⁵

	Amount Year 1	Amount Year 2	Amount Year 3	Total
GEF	\$496,500	\$465,300	\$358,200	\$1,320,000
Government: MOEPP (in-kind)	\$3,500	\$3,000	\$3,500	\$10,000
Other Donor: European Union (in-kind)	\$400,000	\$500,000	\$500,000	\$1,400,000
TOTAL	\$900,000	\$968,300	\$861,700	\$2,730,000

¹⁵ Summary table should include all financing of all kinds: GEF financing, co-financing, cash, in-kind, etc...

X. 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 Republic of North Macedonia and UNDP, signed on 30 October 1995. 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 Environment and Physical Planning (“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.

XI. 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.

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.

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.

XII. LIST OF ANNEXES

- Annex A. Multi Year Work Plan
- Annex B. Terms of Reference for Project Board, Project Manager
- Annex C. Overview of Technical Consultancies
- Annex D. UNDP Social and Environmental and Social Screening Template (SESP) - Exempt
- Annex E. UNDP Project Quality Assurance Report
- Annex F. UNDP Risk Log
- Annex G. Standard Letter of Agreement Between UNDP and the Government for the Provision of Support Services
- Annex H. CBIT Tracking Tool
- Annex I. Draft Gender Action Plan
- Annex J. Results of the capacity assessment of the project implementing partner and HACT micro assessment (to be completed by UNDP Country Office)
- Annex K. List of participants from the stakeholder consultation for the project
- Annex L. Theory of Change

Annex A. Multi Year Work Plan:

Task	Responsible Party	2018				2019				2020				2021	
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1	Q2	
1.1 MRV unit established at MOEPP to oversee climate change reporting on national and international commitments	UNDP MOEPP NCCC														
1.2 Capacity of relevant government organizations strengthened to increase scope and quality of transparency activities	Consultants UNDP MOEPP Other participating agencies														
1.3 National networks established of staff responsible for MRV within the key relevant government organizations, as well as local experts.	UNDP MOEPP NCCC ¹⁶														
1.4 Capacity to ensure gender equality and equity in climate change projects increased	Consultants UNDP MOEPP NCCC														
2.1. Toolkits and templates for mitigation and adaptation reporting developed and disseminated	Consultants UNDP MOEPP														

¹⁶ National Committee on Climate Change

Task	Responsible Party	2018				2019				2020				2021		
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1	Q2		
2.2. Training program for transparency activities operationalized	Consultants MANU UNDP MOEPP Other Agencies															
2.3. Transparency concepts integrated into policies and legislation in key (I)NDC areas	Consultants UNDP NCCC MOEPP															
2.4. Research and training on climate change and gender developed and disseminated	Consultants / NGO UNDP MOEPP NCCC															
3.1 Integrated system of tracking tools for transparency-related actions and progress established	Company/ Consultants UNDP MOEPP NCCC															
3.2 Tracking tools refined and cross-cutting MRV established	Company/ Consultants MANU UNDP MOEPP NCCC															
3.3 MRV system utilized for NDC tracking and reporting	UNDP MOEPP NCCC															

Task	Responsible Party	2018				2019				2020				2021	
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q1	Q2	
3.4 Gender-sensitive measurement and reporting established	Consultants														
	GSP														
	UNDP														
	MOEPP														
	NCCC														
Outcome 4: Monitoring, Learning, Adaptive Feedback & Evaluation	UNDP														
	MOEPP														
Project management	UNDP														

Annex B. Terms of Reference for Project Board, Project Manager

Terms of Reference for the Project Board

The Project Board (PB) will serve as the project's decision-making body. It will meet according to necessity, at least twice each year, to review project progress, approve project work plans and approve major project deliverables. The PB is responsible for providing the strategic guidance and oversight to project implementation to ensure that it meets the requirements of the approved Project Document and achieves the stated outcomes. The PB's role will include:

- Provide strategic guidance to project implementation;
- Ensure coordination between various donor funded and government funded projects and programmes;
- Ensure coordination with various government agencies and their participation in project activities;
- Approve annual project work plans and budgets, at the proposal of the Project Manager;
- Approve any major changes in project plans or programmes;
- Oversee monitoring, evaluation and reporting in line with GEF requirements;
- Ensure commitment of human resources to support project implementation, arbitrating any issues within the project;
- Negotiate solutions between the project and any parties beyond the scope of the project;
- Ensure that UNDP Social and Environmental Safeguards Policy is applied throughout project implementation; and, address related grievances as necessary.

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

Terms of Reference for the National Climate Change Committee (NCCC)

The NCCC is a participatory platform aimed at providing high-level support and guidance for overall climate change policies in the country. It is established by the Government, and it consists of representatives from all relevant national stakeholders such as: government bodies, research and educational organizations, private sector and civil society organizations.

In the framework of the project, the NCCC has the following role:

- Provide policy advice and technical inputs on behalf of the entities which the member represents;
- Promote coordination between institutions, where such coordination is necessary and where opportunities for synergy and complementarity exist;
- Review technical reports, studies, action plans produced by the project;
- Share information on project progress and lessons learned with related stakeholders at the national level;
- Review and endorse the National Communication and Biennial Update Reports before they are submitted to the Government for approval;

Terms of Reference for Key Project Staff

Project Manager

Background

The Project Manager is expected to manage one more climate change related project and her/his salary shall be cost-shared with this project. The PM will be responsible for the overall management of the Project, including the mobilisation of all project inputs, supervision over project staff, consultants and sub-contractors. The PM will report to the UNDP Programme Officer, Head of E&E Unit for all of the Project's substantive and administrative issues. From the strategic point of view of the Project, the PM will report on a periodic basis to the Project Board. The PM will perform a liaison role with the government, UNDP and other UN agencies, CSOs and project partners, and maintain close collaboration with other donor agencies providing co-financing.

Duties and Responsibilities

- Plan the activities of the project and monitor progress against the approved work-plan.
- Supervise and coordinate the production of project outputs, as per the project document in a timely and high quality fashion.
- Coordinate all project inputs and ensure that they adhere to UNDP procedures.
- Supervise and coordinate the work of all project staff, consultants and sub-contractors ensuring timing and quality of outputs.
- Coordinate the recruitment and selection of project personnel, consultants and sub-contracts, including drafting terms of reference and work specifications and overseeing all contractors' work.
- Prepare, revise and submit project work and financial plans, as required by Project Board and UNDP.
- 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.
- 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;
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports, submitted 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.
- Liaise with UNDP, Project Board, relevant government agencies, and all project partners, including donor organisations and CSOs for effective coordination of all project activities.
- Facilitate administrative support to subcontractors and training activities supported by the Project.
- Ensure timely submission of the Inception Report, Project Implementation Report, Technical reports, quarterly financial reports, and other reports as may be required by UNDP, GEF and other oversight agencies.
- Disseminate project reports and respond to queries from concerned stakeholders.
- Encourage staff, partners and consultants such that strategic, intentional and demonstrable efforts are made to actively include women in the project, including activity design and planning, budgeting, staff and consultant hiring, subcontracting, purchasing, formal community governance and advocacy, outreach to social organizations, training, participation in meetings; and access to program benefits.

Required skills and expertise

- A university degree in a subject related to natural resource management, environmental sciences, technical sciences or other relevant subject.
- At least 10 years of professional experience.
- At least 5 years of demonstrable project/programme management experience. Previous experience with UN project will be a strong asset;
- At least 5 years of experience working with ministries, national or provincial institutions that are concerned with climate change and/or environmental management.

Competencies

- Strong leadership, managerial and coordination skills, with a demonstrated ability to effectively coordinate the implementation of large multi-stakeholder projects, including financial and technical aspects.
- Ability to effectively manage technical and administrative teams, work with a wide range of stakeholders across various sectors and at all levels, to develop durable partnerships with collaborating agencies.
- Ability to administer budgets, train and work effectively with counterpart staff at all levels and with all groups involved in the project.
- Strong drafting, presentation and reporting skills.
- Strong communication skills, especially in timely and accurate responses to emails.
- Strong computer skills, in particular mastery of all applications of the MS Office package and internet search.
- Excellent command of English and local language.

Project Assistant

Under the guidance and supervision of the Project Manager, the Project Assistant will carry out the following tasks:

- Assist the Project Manager in day-to-day management and oversight of project activities;
- Assist the M&E officer in matters related to M&E and knowledge resources management;
- Assist in the preparation of progress reports;
- Ensure all project documentation (progress reports, consulting and other technical reports, minutes of meetings, etc.) are properly maintained in hard and electronic copies in an efficient and readily accessible filing system, for when required by PB, UNDP, the Ministry of Environment and Physical Planning;
- Provide PMU-related administrative and logistical assistance.

The Project Assistant will be recruited based on the following qualifications:

- BSc degree or an equivalent qualification;
- At least three years of professional work experience. Previous experience with UN project will be an asset;
- Very good inter-personal skills;
- Proficiency in the use of computer software applications especially MS Word and MS Excel.
- Excellent language skills in English (writing, speaking and reading) and in local language.

The salary of the Project Assistant shall be shared proportionally with at least two other projects in the environmental portfolio.

Annex C: Overview of Technical Consultancies

Consultant	Time Input	Tasks, Inputs and Outputs
Outcome 1		
Local / National contracting		
Public Administration Specialist Rate: \$250/day	104 days / over 3 years	<ul style="list-style-type: none"> Conduct a functional analysis of climate change-related capacity for national and regional agencies Identify/Propose best applicable trainings and toolkits for organizations and individuals with the capacity that they need to carry out transparency activities Support legislative changes in order to strengthen the ability of the country to meet UNFCCC reporting requirements, and thus accelerate transformations to sustainable development.
Information Technology Consultant Rate: \$250/day	140 days / over 3 years	<ul style="list-style-type: none"> Support introduction of GIS-related aspects of the recommendations on providing relevant information to the key stakeholders related to mapping and reports involving GIS data Identify suitable hardware, software, and licensing/subscription options to enhance reporting on agriculture, forestry and other land use (AFOLU) Select features using machine learning techniques, data mining or state-of-the-art methods and identify most suitable data for visualizing and communicating to relevant stakeholders (both technical and non-technical), especially for decision-makers to help them make data-driven decisions; Enhancing data collection procedures to include information that is relevant for building analytic systems relevant to climate change mitigation or Monitoring, Reporting and Verification of climate change actions Develop at least two solutions for visualization and communication of climate change data (i.e. various IT tools that can enhance visualization of datasets or communication of results/recommendations from the project, which can be easily updated in future); Establish a database of training materials for government employees on transparency activities Lead the drafting of recommendations on long-term data storage. Draft guidance on database usage and procedures and provide periodic updates to this guidance based on user feedback.
Climate Finance Specialist Rate: \$300/day	121 days / over 3 years	<ul style="list-style-type: none"> Ensure that costs and benefits related to climate change mitigation and adaptation in key sectors are reflected in the data that are collected and reported Correlate increase of the ambition in the next NDC with related financial aspect and identify potential financial sources Support the use of gender-disaggregated data and provide inputs on differing gender impacts Conduct research and contribute to recommendations regarding institutional arrangements and data flow and data gaps, ensuring that data collection can be harmonized with socio-economic data related to these areas.

Consultant	Time Input	Tasks, Inputs and Outputs
		<ul style="list-style-type: none"> • Identify high-priority data needs related to socio-economic data in the adaptation and climate finance • Support the IT Specialist on the substantive aspects of the database review • Review the proposed data collection and analysis norms, methodologies, and standards for both national and global indicators • Provide substantive advice and analytical and drafting support for national and global reports and briefings using project data • Provide substantive advice and recommendations for combining socio-economic data with community-based monitoring to enhance analysis and recommendations on socio-economic indicators that could be considered <p><i>Across components:</i></p> <ul style="list-style-type: none"> • Provide inputs to project documentation, project reporting, and technical reports as needed • Provide technical review and comments to project reports as needed
Knowledge Management Specialist Rate: \$250/day	150 days / over 3 years	<ul style="list-style-type: none"> • Support establishment and maintenance of a national MRV staff network as well as networks of sectoral practitioners • Support the International Knowledge Management Specialist in conducting various surveys and analyses • Develop guidelines for QA/QC for the proposed MRV framework. • Provide inputs to project documentation, project reporting, and technical reports as needed • Provide technical review and comments to project reports as needed
Gender Specialist Rate: \$250/day	110 days / over 3 years	<ul style="list-style-type: none"> • Identify relevant trainings/tools to ensure gender equality and equity in climate change projects increased • Support implementation of the gender action plan • Conduct a pilot sectoral climate and gender analysis (e.g. renewable energy) and provide a briefing for policy-makers on the results. • Compile an expert roster of individuals and organizations that can provide expertise on gender issues • Develop and conduct a briefing on gender issues for the NCCC and other key stakeholders • Develop a gender module for climate finance readiness training that can also be delivered as a stand-alone seminar
International / Regional and global contracting		
CC Specialist Rate: \$600/day	20 days / over 3 years	<ul style="list-style-type: none"> • Support development of toolkits and templates for mitigation, adaptation and reporting on support • Identify tools/ • Provide recommendations to MOEPP and the Government on fine-tuning the NDCs and means of measuring progress in their implementation • Support establishment of a national network of practitioners in the areas of inventories, mitigation, adaptation, and climate finance

Consultant	Time Input	Tasks, Inputs and Outputs
Evaluation expert (s) Rate: \$650/day	18 days / over 3 years	<ul style="list-style-type: none"> Develop a protocol for providing "on-call" support to other sectoral ministries and government agencies as needed Lead the final evaluations (these evaluation will be contracted separately and may involve two different consultants). Work with the project team in order to assess the project progress, achievement of results and impacts. Disaggregate findings by gender, to the extent possible, and include quantitative and qualitative data regarding the project activities Develop and present a draft evaluation report, discuss it with the project team, government and UNDP, and submit a final report. Contribute on an as-needed basis in discussions to extract lessons for UNDP and GEF. <p>Note: The standard UNDP/GEF project evaluation TOR will be used.</p>
Knowledge Management Specialist Rate: \$650/day	16 days / over 3 years	<ul style="list-style-type: none"> Conduct research and contribute to recommendations regarding institutional arrangements and data flow and data gaps in climate change MRV Conduct a user survey for relevant environmental and statistical institutions, assessing their data usage and data needs Lead the development of recommendations on how to make data available to the public Facilitate the collaboration and exchange of knowledge and experience among all relevant stakeholders, in order to move from ad hoc project-based support to sustained institutional capacity Identify experiences and good practices on how to translate transparency and climate change linkages into more effective climate change action Propose appropriate tools for building knowledge and improving education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning, and promotion of mechanisms for raising capacity for effective climate change-related planning and management in the country Summarize findings in a Lessons Learned Report
Outcome 2		
Local / National contracting		
Technical Advisors Rate: \$250/day	100 days / over 3 years	<ul style="list-style-type: none"> Support development of an adaptation MRV plan Identify applicable indicators for prioritization between sectors Develop AFOLU training concepts, data collection protocols, training on the software and data sharing process, data analysis and visualization under the system, QA/QC, data protection, and other supporting protocols Prepare AFOLU focused training needs assessment and training plan for key stakeholders

Consultant	Time Input	Tasks, Inputs and Outputs
		<ul style="list-style-type: none"> Pilot the process of mainstreaming MRV into sectoral policies and legislation into the key sectors under the (I)NDC: energy supply, buildings, and transport. Provide technical advices and strategic guidance in order to ensure the soundness and consistency of the generated products. Provide critical advisory support at certain decision-making points Ensure consistency with NDC and other national strategic documents Ensure reflection of the project work into national plan SDGs, especially SDG13 (climate change) Strengthen the national transparency process by proposing the most appropriate adjustments in order to improve institutional communication and transparency Provide technical advice and guidance in implementation of innovative tools as alternate data sources Provide policy guidance for strengthening the inter-institutional coordination on climate change thus giving sustainability to the preparation process for measuring and reporting on emissions, mitigation and adaptation activities, and support received
Legal Consultant Rate: \$250/day	30 days / over 3 years	<ul style="list-style-type: none"> Identify entry points for climate change issues into sectoral legislation and draft suitable text for CC integration <p>Develop MRV relevant legal provisions that can be included into the Law on Climate Action</p>
Climate Finance Specialist Rate: \$300/day	50 days / over 3 years	<ul style="list-style-type: none"> Conduct a government budget analysis of baseline spending on climate change related issues <p>Across components:</p> <ul style="list-style-type: none"> Provide inputs to project documentation, project reporting, and technical reports as needed <p>Provide technical review and comments to project reports as needed</p>
DRR Specialist Rate: \$250/day	70 days / over 3 years	<ul style="list-style-type: none"> Provide recommendations on DRR-related data in the new MRV system and linkages with DRR data collection and reporting Conduct analysis and provide recommendations on the integration of CC considerations into DRR policies and measures
Training Specialist Rate: \$250/day	50 days / over 3 years	<ul style="list-style-type: none"> Provide continuous inputs on training and curriculum development for the project; design and lead training of trainers. Lead a training needs assessment Develop curricula for key stakeholder groups based on the findings of the needs assessment. Pilot the curriculum and work with the project team to modify training as necessary Provide documentation of training and curricula in order to allow for subsequent trainings, updating as necessary based on participant feedback Oversee training selection and participation in order to ensure equitable gender representation in training <p>Across project components:</p> <ul style="list-style-type: none"> Provide inputs to project documentation, project reporting, and technical reports as needed

Consultant	Time Input	Tasks, Inputs and Outputs
Gender Specialist Rate: \$250/day	50 days / over 3 years	<ul style="list-style-type: none"> Provide technical review and comments to project reports as needed Develop and conduct a training module on Gender and Climate Change for the NCCC/gender stakeholders Develop and deliver a gender – climate change training module for climate finance readiness (financial support received) <p><i>Across components:</i></p> <ul style="list-style-type: none"> Provide inputs to project documentation, project reporting, and technical reports as needed Provide technical review and comments to project reports as needed
International / Regional and global contracting		
Transparency Specialist Rate: \$650/day	30 weeks / over 3 years	<ul style="list-style-type: none"> Provide support for project inception Review data flow studies and institutional user survey and provide substantive inputs and recommendations Conduct the independent technical review specified in Activity 2.2.3 and provide feedback to the project team and recommendations to institutions collecting and analysing project-related data before baseline data are finalized Contribute to development of the adaptation MRV plan, the proposed approach to AFOLU, and the recommended approach to MRV for Article 13, para. 10 (financial support received)
Disaster Risk Reduction Rate: \$650/day	23 weeks / over 3 years	<ul style="list-style-type: none"> Identify entry points to address loss and damage associated with climate change impacts in the country Identify innovative tools and best practices that can be introduced in the country to address the DRR aspect across the sectors Peer reviewer of recommendations on the MRV system.
Outcome 3		
Local / National contracting		
Information Technology Consultant Rate: \$400/day	300 days / over 3 years	<ul style="list-style-type: none"> Provide support to the project team in drafting ToRs and tendering documentation for the design and launch of the MRV system. Provide support to project stakeholders in using the system, identifying areas for improvement, and supporting refinement of the system.
MRV Specialist Rate: \$400/day	400 days / over 3 years	<ul style="list-style-type: none"> Conduct research and contribute to recommendations regarding institutional arrangements and data flow and data gaps in the MRV framework. Identify existing data and information, including research from academic and research institutions, and identify high-priority data needs in inventory sectors Support the International MRV Consultant and the Project Manager in the identification and development of data

Consultant	Time Input	Tasks, Inputs and Outputs
		<ul style="list-style-type: none"> • collection and analysis norms, and standards for both national and global indicators • Provide support to the International MRV Consultant on pilot data collection and analysis as necessary • Provide substantive advice and analytical and drafting support for reporting using project data • Oversee the linkages of the MRV system to NDC monitoring and reporting. • Provide suggestions on MRV for specific CC mitigation measures under the NDC and on data collection and data quality as needed. • Provide support to the MRV unit at MOEPP <p><i>Across components:</i></p> <ul style="list-style-type: none"> • Provide inputs to project documentation, project reporting, and technical reports as needed • Provide technical review and comments to project reports as needed
DRR Specialist Rate: \$250/day	190 days / over 3 years	<ul style="list-style-type: none"> • Provide recommendations on DRR-related data in the new MRV system and linkages with DRR data collection and reporting • Conduct analysis and provide recommendations on the integration of CC considerations into DRR policies and measures • Conduct analysis and provide recommendations on the integration of national CC considerations into UNFCCC damage and loss mechanism and vice versa
Gender Specialist Rate: \$250/day	190 days / over 3 years	<ul style="list-style-type: none"> • Analyze the use of gender-disaggregated data in the MRV system • Provide best practice information and recommendations to the MRV team • Conduct a baseline analysis of gender-responsive budgeting <p><i>Across components:</i></p> <ul style="list-style-type: none"> • Provide inputs to project documentation, project reporting, and technical reports as needed • Provide technical review and comments to project reports as needed
Translation/Proof reading UNDP adopted fee (as per LTA)		
International / Regional and global contracting		
MRV Consultant Rate: \$650/day	68 weeks / over 3 years	<ul style="list-style-type: none"> • Provide strategic guidance to implementation of a comprehensive MRV system(s) in the country; • Explore potential requirements for establishment of MRV in the context of the EU accession status of the country; so as to meet the needs of future EU and UNFCCC climate change mitigation requirements; • Provide recommendation either on how to utilize the existing measuring and monitoring setting to report the associated

Consultant	Time Input	Tasks, Inputs and Outputs
		<p>emissions reductions of the selected mitigation measures, or how to modify it so that it is able to measure and validate the achieved reductions (propose proper procedures, methodologies, platforms, regulations and institutional setting).</p> <ul style="list-style-type: none"> • Provide recommendations how to extend the coverage of the MRV framework (for the mitigation measures which are not monitored/measured) and identify priority ones; • Provision of guidance and inputs on international best practice to the consultants and contractors establishing the continuous MRV system
Disaster Risk Reduction Rate: \$650/day	20 weeks / over 3 years	<ul style="list-style-type: none"> • Ensure integration of the DRR aspect into the MRV system • Peer review of integration recommendations related to DRR and DRR data and information needs

Annex D. UNDP Social and Environmental and Social Screening Template (SESP)

In line with the risk-based exemption criteria, this project is *exempt* from the SESP requirement, and therefore the SESP screening is not required.

Annex E. UNDP Project Quality Assurance Report

Submitted as separate pdf document

Annex F. UNDP Risk Log

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
1	The institutional capacity created by the project would not be sustainable beyond the end of the project implementation period due to lack of financial support.	Jul 2018	Organizational	I = 3 P = 2	Parallel activities supported under IPA-II funding will support legislation that mandates reporting capacity. Furthermore, specific project activities will address post-project resource mobilization, and they will present clear roadmaps for data archiving and storage.	Project Manager	Programme Manager		
2	Transparency activities would not be considered sufficiently important by the Macedonian Government to ensure adequate participation in and support for project activities; resources and attention would be diverted to other issues	Jul 2018	Political	I = 3 P = 2	The project is explicitly designed to link transparency activities to high-level political priorities in the country such as EU accession. This linkage will ensure that the project maintains high-level support. In addition, awareness-raising activities for target groups such as parliamentarians and journalists will increase the constituency supporting action in these areas.	Project Manager	Programme Manager		
3	A lack of horizontal coordination across	July 2018	Organizational	I = 3 P = 2	First, the NCCC will ensure regular communication	Project Manager	Programme Manager		

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
	ministries and agencies could hinder data collection and analysis.				across government agencies. Second, parallel legislation supported under IPA-II will mandate data reporting from sectoral ministries and other relevant bodies. Third, Component 2 of the project will strengthen capacity of offices within key ministries and agencies to ensure that they are able to provide the necessary data in a given format and time frame.				
4	The cross-sectoral MRV system might become obsolete or ineffective if transparency requirements change over time.	May 2018	Operational	I = 2 P = 1	The MRV system will be developed using open source software so that it may be maintained and updated as needed by any competent actor. Specific project activities will address system documentation, archiving, and storage.	Project Manager	Programme Manager		

Annex G. Standard Letter of Agreement Between UNDP and the Government for the Provision of Support Services

Dear Mr. Duraki,

1. Reference is made to consultations between officials of the Government of Republic of North Macedonia (hereinafter referred to as "the Government") 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 Government hereby agree that the UNDP country office may provide such support services at the request of the Government 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 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 administrative budget of the office.

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 personnel and consultants;
- (b) Procurement of goods and services;
- (c) Processing of payments, disbursements and other financial transactions;
- (d) Administrative services including travel authorization, visa requests and other arrangements.

4. The procurement of goods and services and the recruitment of project 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 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 project, the annex to the project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.

5. The relevant provisions of the Act of Cooperation between the Republic of North Macedonia and the United Nations Development programme (Standard Basic Assistance Agreement) signed on 30 October 1995 (the "SBAA"), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed programme or project through its designated institution. 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 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 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 affected 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 your Government 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,

Narine Sahakyan
Signed on behalf of UNDP
Resident Representative a.i.

For the Government
Sadulla Duraki,
Minister of Environment and Physical Planning
[Date]

Attachment

DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the Ministry of Environment and Physical, the institution designated by the Government of Republic of North Macedonia and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed project #00104295, award #00102125, "Strengthening institutional and technical Macedonian capacities to enhance transparency in the framework of the Paris Agreement", "the Project".

2. In accordance with the provisions of the letter of agreement signed on *(insert the date 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:

Support services	Schedule for the provision of the support services	Cost to UNDP of providing such support services (where appropriate)	Amount and method of reimbursement of UNDP (where appropriate)
Local Personnel HR & Benefits Administration & Management (one-time fee, per staff at: - the issuance of a contract, and- again at separation	January 2019 November 2021	As per the Universal Price List (UPL): US\$ 244.65 $244.65 \times 2 = 489.3$	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner In accordance with the UPL
Recurrent personnel management services: (annual fee per employee, per calendar year) Local Payroll & Banking (35%) Performance evaluation (30%) Extension, promotion, entitlements (30%) Leave monitoring (5%)	Ongoing throughout implementation when applicable	As per the Universal Price List (UPL): US\$ 541.11 $541.11 \times 4 = 2,164.44$	UNDP will directly charge the project upon receipt of request of services from the Implementing Partner In accordance with the UPL
Procurement of Goods and Services Contractual services for companies	Ongoing throughout implementation when applicable	As per the UPL: US\$ 659.46 for each procurement process involving local CAP and/or	As above

		ITB, RFP 659.46 x 5 = 6,594.6 Low value procurement US\$260.18 UD\$260.18 x 8 = 2,289.6	
Consultant recruitment	Ongoing throughout implementation when applicable	As per the UPL: US\$ 286.20 each hiring process 286.20 x 10 = 2,862	As above
Processing of payments	Ongoing throughout implementation when applicable	As per the UPL: US\$ 28 for each 28 x 150 = 4,200	In accordance with the Local Price List
Processing of disbursements and other financial transactions	Ongoing throughout implementation when applicable	As per the UPL: US\$ 335.91 for each US\$335.91 x 2= 671,82	As above
Administrative services including travel authorization, visa requests and other arrangements (booking, purchase, F10 settlement)	Ongoing throughout implementation when applicable	As per the UPL: US\$ 78.08 for each 78.08 x 9 = 702. 72	As above
		Total: up to USD 20,000 from GEF grant	

Annex H. CBIT Tracking Tool

This annex is not currently applicable as per GEF guidance GEF/C.54/11/Rev.02 (28 June 2018) regarding project tracking.

Annex I. Initial Gender Analysis and Gender Action Plan

I.1: Initial Gender Analysis

The initial gender analysis is included separately in the form of the UNDP report *Gender and Climate Change in Macedonia: Applying a Gender Lens to the Third National Communication on Climate Change*.

In the area of MRV, researchers have found that although women are meaningfully involved in the climate change decision-making process in the country, gender issues are not well integrated into transparency activities. There is a low level of awareness regarding the relationship between gender issues and climate change issues. Government agencies do not have the individual capacity to analyse the consequences of climate change policies and measures on men and women, and they lack access to materials and specialists who could provide guidance and support. Finally, reporting data and systems may not be disaggregated by gender, which limits the ability of policy-makers to learn from climate change programming.

The Gender Action Plan is attached below in Section I.2.

I.2: Gender Action Plan

The proposed gender action plan for the project is as follows:

Objective	Action	Indicator	Responsible Institution
Component 1: Institutional Capacity Strengthening for MRV			
Ensure women's representation and active participation in capacity strengthening activities and in the capacity platform	*Work with Implementing Partner to identify a national Climate Change and Gender Focal Point	Documented appointment of national Gender-CC Focal Point	PIU, Gender Specialist, MOEPP
	*Conduct a pilot sectoral climate and gender analysis (e.g. renewable energy) and provide a briefing for policy-makers on the results.	Sectoral project screening reports include gender considerations including differentiated economic and social impacts	
	*Provide support to the Climate Change and Gender Focal Point in screening climate finance projects	Gender-CC expert roster	
	*Compile an expert roster of individuals and organizations that can provide expertise on gender issues in coordination with Component 1.3		
Component 2: Training and tools for activities conducted under Article 13			
Tools and training available and utilized by women and men that support the consideration of gender issues in MRV and sectoral policies and budgeting	*Provide two training sessions for gender stakeholders on climate change and climate finance and vice versa in coordination with Component 2.2	Presence of training modules	PIU, Gender Specialist, Gender Consultant
	*Develop and conduct a briefing on gender issues for the NCCC in coordination with Component 2.2	# of trainings and briefings conducted	
	*Develop and deliver training modules for key stakeholders (State Statistical Office, Ministry of Economy, Ministry of Agriculture) on gender issues in coordination with Component 2.2	% of women participating in training activities under Component 1	
	*Develop a gender module for climate finance readiness training that can also be delivered as a stand-alone seminar		

Objective	Action	Indicator	Responsible Institution
	*Develop and implement a plan to disseminate research and training modules throughout South-eastern Europe (a process that can utilize the regional network of climate change OFPs and gender specialists) and through the Global Support Programme and the Global Coordination Platform as appropriate		
Component 3: Design and implementation of a sustainable domestic MRV system			
Ensure access to high-quality data and good practice in gender-sensitive data collection and analysis for MRV and the NDC tracking framework	*Itemize issues arising through sex-disaggregated data collection and analysis for the domestic MRV and NDC tracking system *Assess the current state of gender responsive budgeting and provide recommendations on reporting *Document and disseminate gender-relevant best practices and lessons learned throughout the project cycle	Presence of documented analysis that mainstreams gender considerations. Presence of recommendations on reporting and documentation of best practices and lessons learned	PIU, Gender Specialist
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 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, Gender Specialist, UNDP
Raise awareness regarding gender mainstreaming in	*Consult both women and men in the development of promotional materials	Increase in awareness levels regarding climate change issues among both men and	PIU, Gender Specialist, UNDP

Objective	Action	Indicator	Responsible Institution
transparency frameworks	*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.	women The project communication strategy utilizes men's and women's communication channels	

Annex J. Results of the capacity assessment of the project implementing partner and HACT micro assessment

The project is implemented as a CO support to NIM, and no advanced payments or other transfers to the Ministry of Environment and Physical Planning or any other national entity. Therefore, the CO is neither performing capacity assessment of the project implementing partner nor HACT micro assessment.

Annex K. List of Participants from the Stakeholder Consultation Meeting and Stakeholder Consultation Plan

Venue: UNDP CO Skopje – Conference room

Date/Time: 31 August 2018, 11:00-12:30 h

Attendees:

- Mr. Krum Efremov, Ministry of Foreign Affairs State Counselor
- Ms. Teodora Obradovikj Grncharovska, Ministry of Environment and Physical Planning (MoEPP), State Counselor on Climate Change and UNFCCC Focal Point
- Ms. Elena Ivanova, Ministry of Defense, Senior Associate
- Ms. Svetlana Gjorgjeva, MeEPP, Head of Macedonian Environmental Information Center
- Ms. Snezana Rashkova, Ministry of Transport and Communications, Assistant Head of Spatial Planning Sector
- Mr. Bojan Durnev, Ministry of Agriculture, Forestry & Water Economy, Water Economy Directorate
- Mr. Nehri Emrula, Energy Agency, Director
- Mr. Pance Atanasovski, Energy Agency
- Mr. Vladimir Sarach, Energy Agency
- Ms. Bojana Stojchevska, Legislative Secretariat
- Ms. Valentina Stardelova, Ministry of Economy, Energy Department
- Ms. Gabriela Madjoska, Ministry of Labor and Social Policy
- Ms. Nevena Smilevska, NGO Eko-svest
- Mr. Jurant Dika, Ministry of Agriculture, Forestry and Water Economy, Head of Silviculture and Afforestations
- Ms. Gordana Gapikj Dimitrovska, Ministry of Information Society and Administration (MIOA)
- Ms. Ana Tuneska, Cabinet of the Vice Prime Minister in charge of Economic Affairs
- Mr. Daniel Josifovski, Cabinet of the Vice Prime Minister in charge of Economic Affairs, Economic Advisor
- Ms. Sanda Mitkovska, REC Macedonia, Office and Operational Assistant

Other Participants:

- Ms. Anita Kodzoman, Head of the Energy and Environment Unit, UNDP
- Ms. Pavlina Zdraveva, UNDP Project Manager
- Mr. Marijan Djima, Project Assistant, UNDP (note taker)

Notes: 32 people, including members of the National Climate Change Committee and representatives from relevant institutions, were invited to attend the stakeholder consultation workshop or to submit comments on the draft project document by Friday September 7th, 2018. 18 people (61% woman) attended the workshop. Additional written input was also received from the Ministry of Transport and

Communication, the Ministry of Interior, the NGO GO Green, and the president of the National Climate Change Committee. These written comments recognized and endorsed the objectives stipulated in the project document and reaffirmed the value of the project for the country. No objections were raised.

Minutes of the meeting attached as separate pdf document.

Table J. 1: Stakeholder Engagement Plan

Stakeholder	Responsibility	Project Role
MOEPP	<ul style="list-style-type: none"> Key governmental body responsible for coordinating implementation of the provisions of the UNFCCC and related agreements Key governmental body responsible for development of climate change policies and strengthening the institutional cooperation in the area of climate change Coordinates the National Climate Change Committee Responsible for reporting progress in climate change-related progress National Focal Point to the UNFCCC is the State Advisor on Climate Change in the MoEPP 	<p>PP will serve as the implementing partner for the and MOEPP will be involved directly in the design of the proposed MRV Unit within the Ministry under Component 1.</p> <p>PP will also provide USD 10,000 in in-kind financing.</p>
National Climate Change Committee (NCCC)	<ul style="list-style-type: none"> Established by the Government, consisting of representatives of all relevant stakeholders: government bodies, academia, private sector and civil society The NCCC is a participatory platform aimed at providing high-level support and guidance for overall climate change policies in the country 	NCCC will serve as the project steering committee.
Ministry of Economy	<ul style="list-style-type: none"> Key governmental body responsible for development of energy-related policies Implements many of the policies, activities and projects that directly and indirectly impact climate change mitigation in the energy sector Key governmental body responsible for reporting to the Energy Community and for reporting on SDGs 	Ministry will be represented on the NCCC and will participate in capacity strengthening, training and communication activities in Components 1 and 2. It will provide important inputs to the pilot long-term, low GHG emission strategy under Component 2.3.
Other Ministries	<ul style="list-style-type: none"> The Ministry for Transport and Communications is the governmental body responsible for transport policy and maintains the national vehicle registry The Ministry of Agriculture, Forestry, and Water Economy is a key partner and beneficiary in agriculture (including irrigation), forestry, fisheries, and livestock. The Ministry of Labour and Social Policy is responsible for gender issues and jobs-related issues 	Ministries (and others) will be represented on the NCCC and will participate in all project components, through training, sectoral analyses, and the tracking system.
State Statistical Office	<ul style="list-style-type: none"> Key governmental body responsible for collecting, 	SSO will be represented on the NCCC and will work

(SSO)	processing, and disseminating data about the demographic, social, and economic situation in the country. They also provide statistical data to international organizations.	ely with the project team on data collection and ting issues related to the tracking system and on gender-disaggregated statistics
Academia	<ul style="list-style-type: none"> • Primary source of research on climate change issues and other key sectoral issues (energy, agriculture) and cross-cutting issues (gender) • Channel for providing country-specific climate change research to the international research community via conferences and publications 	entatives of the research and teaching community on the NCCC, and experts will form an important consultative group for the national networks of practitioners established under Component 1.3.
Civil Society	<ul style="list-style-type: none"> • Source of training capacity • Experience with gender issues • Networks in rural areas 	ociety organizations are represented on the NCCC. ill contribute to national networks of practitioners (Component 1.3), gender-related analysis and training , e dissemination of project results throughout the country.
European Union	<ul style="list-style-type: none"> • Key source of legislative and policy support for climate change action, particularly future climate legislation • Source of financing for mitigation activities through the IPA-2 funding window • Source of co-financing for project activities 	<p>The EU will provide USD 1,400,000 in in-kind co-financing for institutional and policy capacity-building support.</p> <p>The EU delegation and any relevant offices of the European Commission will be consulted regarding their current and planned activities in environmental information systems and climate change in order to maximize coordination on climate change legislation and training and to avoid the duplication of activities and information systems. The project will maintain a regular two-way flow of information with the Delegation and relevant contractors.</p>
Donor Community	<ul style="list-style-type: none"> • Bilateral donors form a significant source of support for climate change-related capacity strengthening activities, including support for MRV systems at the municipal level • Multilateral donors support capacity strengthening and investments in climate change mitigation and adaptation. Specifically, the GEF has provided financial support for reporting to the UNFCCC and associated capacity strengthening • The donor community represents a current and future source of climate finance 	project will liaise with the donor community on a r basis throughout implementation and will work onors on effective in-country reporting of financial port received for climate change and on climate ce readiness and project pipelines and screening.

Annex L. Theory of Change

