



United Nations Development Programme
Country: SERBIA

Republic of Serbia
Ministry of Agriculture and
Environmental Protection

PROJECT DOCUMENT¹

Project Title: Serbia's First Biennial Update Report

UNDAF Outcome(s):	Outcome 2. Sustainable Development and Social Inclusion Enhanced
	Outcome 2.5: Improved mechanisms to protect the environment, ensure sustainable management of natural resources, and mitigate and/or adapt to the impacts of global climate change on social, economic, and ecologic systems
UNDP Strategic Plan Environment and Sustainable Development Primary Outcome:	Countries are able to reduce the likelihood of conflict, and lower the risk of natural disasters, including from climate change
UNDP Strategic Plan Secondary Outcome:	Growth is inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded
Expected CP Outcome(s):	CP Outcome 2.5: Improved mechanisms to protect the environment, ensure sustainable management of natural resources, and mitigate and/or adapt to the impacts of global climate change on social, economic, and ecologic systems
Expected CPAP Output (s)	2.5.4.2 Improved national response to adapt to and mitigate the impact of global climate change, and adhere to relevant international conventions
Executing Entity/Implementing Partner:	Ministry of Agriculture and Environmental Protection
Implementing Entity/Responsible Partners:	UNDP CO Serbia

Brief Description

This project aims to enable the Republic of Serbia to prepare, produce and disseminate its First Biennial Update Report (FBUR) to the Conference of the Parties (CoP) of the UN Framework Convention on Climate Change (UNFCCC) according to Decision 2/CP.17. The FBUR will update and strengthen information provided regarding national circumstances, greenhouse gas inventories, climate change mitigation (including developing a cadaster of NAMAs), as well as identify constraints, gaps, and financial, technology and capacity building needs. The FBUR will also result in appropriate arrangements for domestic Measurement, Reporting and Verification.

¹ For UNDP supported GEF funded projects as this includes GEF-specific requirements

Programme Period: 2011-2015 Atlas Award ID: 00076646 Project ID: 00087930 PIMS #: 5249 Start date: <u>January 2014</u> End Date: <u>June 2015</u> Management Arrangements: <u>NIM</u> PAC Meeting Date: 14 November 2013	Total resources required: <u>401,827USD</u> Total allocated resources: <u>401,827USD</u> <ul style="list-style-type: none"> • Regular _____ • Other: <ul style="list-style-type: none"> ○ GEF <u>352,000USD</u> ○ Government 49,827USD (In-kind)
---	--


Agreed by (Government): 

Date/Month/Year

Debrauc

Agreed by (Implementing Partner):

Date/Month/Year

Agreed by (UNDP): 

14/5/14

Date/Month/Year

TABLE OF CONTENTS

Table of Contents	3
List of Acronyms	4
List of Annexes	4
1 Situation Analysis	5
1.1 Legal and Policy Context	5
2 Strategy	10
2.1. Project Rationale	11
2.2. Country Ownership	11
2.3. Project Objectives	11
2.3.1 Project Development Objective:	11
2.3.2 Project Immediate Objective:	11
2.4 Project Outcomes/Outputs	12
2.4.1 Outcome 1: Updated information on the national circumstances and institutional arrangements relevant to the Initial National Communication	12
2.4.2 Outcome 2: GHG inventory from the previous national communication recalculated, and for the period 2010-2013 prepared and elaborated.	12
2.4.3 Outcome 3: Mitigation actions and their effects, including associated methodologies and assumptions, and the implementation progress described	14
2.4.4 Outcome 4: Constraints, gaps and financial, technology and capacity building needs identified	15
2.4.5 Outcome 5: Domestic Measurement, Reporting and Verification arrangements are supported	15
2.4.6 Outcome 6: Compilation of information, preparation of final version and publication of the First Biennial Update Report	16
2.4.7 Outcome 7: Monitoring, reporting, and preparing of financial audits	16
2.5 Sustainability and Replicability	12
3 Project Results Framework	18
4 Total budget and work plan	23
5 Management Arrangements	29
5.1 Implementation arrangements	29
5.2 Inclusion of stakeholders	30
5.3 Gender	30
6. Monitoring Framework and Evaluation	32
7. Legal Context	35
Annexes	37
Annex A. Risk Analysis	37
Annex B. Agreements	38
Annex C. Draft Terms of Reference for Key Project Personnel	39
C1. ToR for Project Manager	39
C2. ToR for Local Project Officer/Technical Assistant	39
C3. ToR for Climate Change policy expert (Nat. Circumstances)	41
C4. ToR for National GHG Inventory Expert	41
C5. ToR for GHG inventory management and database expert	42
C6. ToR for Climate Change Mitigation expert	42
C7. ToR for Writer and Compiler	43
C8. ToR for International Climate Change Mitigation and Measurement, Reporting and Verification expert	44
C9. ToR for Evaluation expert	45
Annex D. Capacity Assessment	46

LIST OF ACRONYMS

AWP	Annual Work Plan
BAU	Business as Usual
BUR	Biennial Update Report
CDM	Clean Development Mechanism
CFCs	Chlorofluorocarbon
CMP	Meeting of the Parties to the Kyoto Protocol
COP	Conference of Parties
DNA	Designated National Authority
EC	European Commission
EE	Energy Efficiency
ETS	Emissions Trading System
EU	European Union
GEF	Global Environment Facility
GHG	Greenhouse gas
IPCC	Intergovernmental Panel on Climate Change
M&E	Monitoring and Evaluation
MAEP	Ministry of Agriculture and Environmental Protection
MRV	Measurement, Reporting and Verification
NAMA	Nationally Appropriate Mitigation Action
NIM	National Implementation Modality
PAC	Project Advisory Committee
PB	Project Board
PBM	Project Board Meeting
PIU	Project Implementation Unit
PM	Project Manager
RENA	Regional Environmental Network for Accession
RCU	Regional Coordination Unit
RS	Republic of Serbia
SNC	Second National Communication
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollar

LIST OF ANNEXES

Annex A.	Risk Analysis
Annex B.	Agreements
Annex C.	Terms of Reference for Key Project Personnel
Annex D.	Capacity Assessment

1 SITUATION ANALYSIS

Serbia is located at the Balkan Peninsula in south-eastern Europe and covers an area of 88,361km². It shares borders with Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, the Former Yugoslav Republic of Macedonia, Montenegro and Romania. According to a census from 2002, the Republic of Serbia has a population of 7,120,666. The territory of Serbia is divided in to the following five statistical regions: Vojvodina, Belgrade, Šumadija and Western Serbia, Southern and Eastern Serbia, and Kosovo and Metohija.

1.1 Legal and Policy Context

The official date of Serbia's ratification of the United Nations Framework Convention on Climate Change (UNFCCC) is March 12, 2001² and the Convention entered in force on June 10, 2001. Serbia has ratified the Kyoto Protocol, which entered in force on 17 January 2008, as a non-Annex I Party. As a non-Annex I Party to the UNFCCC, Serbia has no commitments on the reductions of GHG emissions but in accordance with the Article 12 of Convention it is obliged to:

- prepare the national Communications to the Conference of Parties (COP) of the UNFCCC;
- build awareness of climate change issues and increase the national consensus and willingness to take action;
- provide the international community with information on the inventory and trends of emissions from sources and removals by sinks of greenhouse gases;
- provide a profile of mitigation measures planned for the future;
- provide information on the potential vulnerability of its economy to projected climate change impacts, and on adequate adaptation measures for projected change;
- integrate climate change into the broader development planning process of the country and realign policies to take climate change into consideration;
- integrate climate change considerations into the planning and implementation of sector efforts and other national development plans, while developing public support for government and other initiatives in the field of climate change.

² Serbia is a successor of the State Union Serbia and Montenegro, which was successor of Federal Republic of Yugoslavia that ratified the Convention in 1997; FRY was admitted to UN in late 2000.

Moreover, based on the COP16 decision as a non-Annex I Party to the UNFCCC, Serbia has obligation to regularly prepare and submit its biennial update reports. COP 17 adopted the guidelines for the preparation of biennial update reports from non-Annex I Parties contained in annex III of decision 2/CP.17, and also decided the following:

(a) That non-Annex I Parties, consistent with their capabilities and the level of support provided for reporting, should submit their first biennial update report by December 2014; the least developed country Parties and small island developing States may submit biennial update reports at their discretion;

(b) That in using the Guidelines, non-Annex I Parties should take into account their development priorities, objectives, capacities and national circumstances;

(c) That the Guidelines should be used as a basis to provide guidance to an operating entity of the financial mechanism for funding the preparation of biennial update reports from non-Annex I Parties and, in the case of the first biennial update report, to the Global Environment Facility;

(d) To urge non-Annex I Parties to submit their requests to the Global Environment Facility for support, in a timely manner;

(e) That enhanced support for the preparation of biennial update reports should be ensured by developed country Parties and other developed Parties included in Annex II to the Convention by means of resources, in accordance with Article 4, paragraph 3, of the Convention, on the basis of agreed full-cost funding;

(f) That non-Annex I Parties shall submit a biennial update report every two years, either as a summary of parts of their national communication in the year in which the national communication is submitted or as a stand-alone update report; the least developed country Parties and small island developing States may submit biennial update reports at their discretion;

(g) That the first biennial update report submitted by non-Annex I Parties shall cover, at a minimum, the inventory for the calendar year no more than four years prior to the date of the submission, or more recent years if information is available, and that subsequent biennial update reports shall cover a calendar year that does not precede the submission date by more than four years; etc.

In addition, Serbia is an Article 5 Party to the Montreal Protocol on substances that deplete the ozone layer. It has ratified all amendments to the Protocol and demonstrates a satisfactory level of compliance. Serbia associated itself with the Declaration adopted at the 22nd meeting of the Parties to the Montreal Protocol in November 2010 on the global transition away from HCFCs and CFCs.

Since UNFCCC ratification, efforts have been made to set up an appropriate policy, institutional and legal framework to meet Convention commitments, including appointing the Ministry of Agriculture and Environmental Protection (MAEP) as the National Focal Point for the implementation of the UNFCCC and the Kyoto protocol and submitting the Initial National Communication (INC) to the UNFCCC in 2010.

Serbia is currently preparing of the Second National Communication (SNC). The preparation of the SNC will support achievement of the national environmental objectives in several ways:

1. It will enhance the ability of Serbia to participate actively in addressing the global environmental threat of climate change;

2. It will develop capacity in climate change-related research and analysis that can support effective environmental policies and provide important data related to environmental challenges to sustainable development in Serbia that go beyond climate change; and
3. It will provide improved information and analysis for policies in key areas, such as water resources, agriculture, and forestry.

It is worth noting that with regards to the CDM Serbia is making quick progress, with the first seven projects having been registered since November 2011. These include:

- Wind Farm Cibuk1 – up to 171 MW of wind power
- Wind Farm Plandiste 1 – up to 102 MW of wind power;
- Wind Farm Kosava 1 and 2 – up to 123 MW of wind power;
- Wind Farm Kladovo 1 – up to 54 MW of wind power;
- Reduction of Methane Leakages in the Gas Distribution Networks operated by the company JP Serbiagas – which involves the detection, measurement and repair of gas leaks; and
- LFG Recovery and Electricity Production at the Bubanj Landfill Site, Nis, Serbia – a 0.32 MW landfill-waste-gas recovery/electricity production project.
- Alibunar Biogas Plant Construction Project

Serbia's aspiration to become an EU member³ has acted as a major driver for climate change-related action, mostly through the harmonization of national legislation with EU Directives. In this context, the project "Creation of a monitoring, reporting and verifying system for the successful implementation of the EU Emissions Trading System" financed by the European Union is in the inception phase. The main purpose of the project is to establish the legal and institutional framework for Monitoring, Reporting and Verification (MRV) required by the EU Directive 2009/29/EC. MAEP initiated preparation of a project for establishment of a system necessary for economy-wide MRV in compliance with the EC Regulation 2013/525/EC. Moreover, Serbia initiated development of the Climate Change Strategy with an Action Plan. The main project purpose is identifying possibilities for emission reductions at the national level.

Taking into account importance of renewable energy and energy efficiency in combating climate change, in the specific fields the following actions are relevant:

The developed National Renewable Energy Action Plan has a great importance for Serbia's ambitious mandatory target for RES that is 27 % in its gross end energy consumption by 2020 (in compliance with the Directive 2009/28/EC and the Decision of the Ministerial Council of the Energy Community of October 18, 2012).

The Second National Energy Efficiency Action Plan for 2013-2015 is adopted on 21 October 2013. Planned savings for the following period 2013- 2015 are estimated at the level of 3.5 % of inland final energy consumption in 2008 (0.2952 Mtoe). It is foreseen that within the households, public and commercial sectors (including building) savings of 0.1387 Mtoe will be realized, representing about 35% of the total projected savings in 2015.

Other efforts are being made in relation to greenhouse gas (GHG) reductions for non-ETS sectors, fluorinated gases, ozone-depleting substances, vehicle efficiency standards, fuel-quality standards, carbon capture and storage plus monitoring and reporting of GHG emissions. However, while some alignment in sector-specific legislation (e.g. on energy, waste and air) has

³ Serbia officially applied for EU membership in December 2009 and gained candidate status in October 2011

taken place, Serbia is still at an early stage with respect to implementing the EU *acquis* on climate change.

Additionally, noteworthy on-going or recently concluded projects and initiatives include:

- **Capacity building in the sustainable energy sector:** The two-year project "Implementation of Energy Component of the National Strategy for Sustainable Development" was financed by the European Commission (EC) and finalized in August 2012. The most important purpose of this project was the capacity building in the energy sector, in order to implement the sustainable energy policy and the Kyoto Protocol, as well as rational use of conventional fuels, and to increase the use of renewable energy sources. The one component of the project included assessment of needs and implications for energy sector caused by the EU emission trading system.
- **Sectoral GHG mitigation feasibility study:** "Feasibility study: Efficient ways for GHG emissions reduction under the post-Kyoto framework", was financed by the Kingdom of Spain. This study provides first analysis of sectoral mitigation potentials for 2020, and it was accepted by the MAEP in September 2011. However, provisions regarding to MRV were not included into the project analysis.
- **Capacity development project on NAMA:** financed by the Government of Japan, was finalized in February 2013. The project purpose was identification and development of NAMA in energy efficiency field, more precise production and distribution of energy. Detailed documentation for six identified NAMA was prepared, including proposals for MRV. Additionally, the NAMA Development Guideline of the Republic of Serbia⁴ is prepared within this project.
- **Low carbon waste sector:** "Low Carbon South East Europe", in cooperation with European Academy Bolzano Italy, National Observatory of Athens, Joanneum Research Austria, Regional Environmental Centre (REC), as well as ministries responsible for environmental issues of Croatia, Montenegro, Albania, Macedonia and Slovenia. The project will be financed through EU fund (South East Europe Transnational Cooperation Programme - SEE), the Ministry of Agriculture and Environmental Protection of the Republic of Slovenia, while a leading partner is EURAC. The main objective of this project is development of a regional platform which could provide a multi-sector approach to the Development Strategy of low GHG emissions in South-Eastern Europe. After detailed technical, economic and market analyses Waste Management Sector was chosen, regarding to the general potential to climate change mitigation, in particular the treatment and disposal of solid waste.

On the whole, considerable efforts are being made for establishing the legal, institutional and policy framework aimed at fulfilling the commitments outlined under the Convention and the Protocol, including improving inter-sectoral cooperation and to mainstream climate change issues into sectoral documents and national development goals (for a summary of the major Serbian policies and strategies and their relation to climate change see Table 1). Key challenges remain the development of monitoring and assessment methods taking into account that there is no official data in Serbia on energy end-use in residential, commercial and public services' sectors, as well as in transport and lack of data in industry sectors. Additionally, there is a lack of data collection and preparation of GHG inventory on a regular basis.

⁴ http://unfccc.int/cooperation_support/nama/items/6945.php

Table 1: Serbian policies and strategies directly linked to climate change

Adopted - Policy/Strategy	Adopted	Relation to climate change
Serbian National Sustainable Development Strategy ⁵	2008	Identifies climate change as a key risk and puts forward action items for mitigation and adaptation
National Environmental Protection Programme	2010	Identifies climate change as a key risk and puts forward action items for mitigation and adaptation. Activities related to mitigation are among the programme's priorities.
Energy Development Strategy until 2015 ⁶	2005	Describes BAU energy development scenario (linked with greenhouse gases). Increasing energy efficiency and the use of renewable energy resources by 2015 are two of the five main priorities.
The Forestry Development Strategy ⁷	2006	Describes the importance of forests in climate change mitigation and the potential impact of climate change on forests in the economic development of this sector. Also includes the UNFCCC among the most important international obligations within the sector.
The Strategy for Scientific and Technological Development 2010 – 2015	2010	Identifies environmental protection and countering climate change, as well as energy efficiency, among the top seven priorities.
The Strategy on Cleaner Production	2008	Introduces GHG emissions as one of the main sources of influence on the state of the environment at the national level.
Biodiversity Strategy of the Republic of Serbia for the period 2011 - 2016 ⁸	2011	Identifies climate change as a major issue to be dealt with in relation to biodiversity
The National Strategy for Incorporation of the Republic of Serbia into the Clean Development Mechanism – Waste Management, Agriculture, Forestry sector ⁹	2010	Lays out mechanisms, process, and priorities for Serbian involvement in the CDM. Its development involved a broad range of institutions and ministries. Also provides a description of the role of the Designated National Authority (DNA) ¹⁰ , which was legally established in 2008, as an inter-sectoral body. There are currently seven projects registered under the CDM.
The National Environmental Approximation Strategy	2011	Describes what is necessary for the transposition and implementation of the EU <i>acquis communautaire</i> in the field of environment
The Second National Energy Efficiency Action Plan of Serbia ¹¹	2013	Outlines a number of energy efficiency measures to be undertaken during the period 2013-2015 in various sectors.
The Law on Energy ¹²	2011	Outlines, among other things, the institutional framework of the energy sector in Serbia, including establishing a legal basis for support for protection of the environment, energy efficiency, and renewable energy.
The Law on Air Protection	2009	Regulates air quality management, as well as measures for prevention of pollutant emissions. Also provides basis for adoption of bylaws which will regulate oversight of GHG emissions and phasing out of ozone depleting substances.

⁵ <http://www.gs.gov.rs/english/strategije-vs.html> or

http://www.un.org/esa/agenda21/natlinfo/countr/serbia/nsds_serbia.pdf

⁶ <http://www.merz.gov.rs/en/dokumenti/energy-sector-development-strategy-republic-serbia-2015>

⁷ <http://www.fao.org/forestry/16159-0f033f89b9da00ac3d5a3c81cda247f26.pdf>

⁸ <http://www.cbd.int/doc/world/rs/rs-nbsap-01-en.pdf>

⁹ <http://www.gs.gov.rs/english/strategije-vs.html>

¹⁰ http://80.93.243.155/DNA/index_en.html

¹¹ <http://www.energy-community.org/pls/portal/docs/986181.PDF>

¹² http://www.edb.rs/propisi/zakon_o_energetici.pdf

The Law on Planning and Construction ¹³	2011	Outlines the framework for the implementation of spatial planning and construction in Serbia – including supporting sustainable development and energy efficiency.
--	------	--

2 STRATEGY

2.1. Project Rationale

The development and submission of the FBUR, part of the establishment of a biennial reporting cycle to UNFCCC (see Section 2.5), has important implications for strengthening Serbia's technical and institutional capacity in the area of climate change. Though Serbia retains a strong commitment to implement the UNFCCC (see Section 2.3), the country is facing a number of significant constraints – in particular the lack of capacities and complete operational system for the monitoring, reporting and verification (MRV) of climate change-related activities. For these reasons, the continued strengthening of national institutions as well as continued cooperation with UNDP/GEF is necessary. Support from the Global Environment Facility is needed in order to accomplish FBUR and fulfill the obligations arisen from COP 16 and 17 decisions, related to the submission of national communications and biennial update reports. The GEF's support will enable the continuing development and improvement of the existing technical and institutional capacities, especially for MRV, and to continue the efforts of integrating climate change into national development policies, plans and programs.

The preparation of the FBUR will support achievement of the national environmental objectives in several ways:

- Updating of national circumstances and institutional arrangements relevant to the Initial National Communication;
- A GHG inventory for the period 2010-2013 prepared;
- An update on the progress of mitigation actions and their effects (including associated methodologies and assumptions);
- Supporting domestic measurement, reporting and verification arrangements;
- An analysis of gaps and constraints in finance, technology and capacity; and
- The compilation, submission and publication of the First Biennial Update Report.

The assistance given to the development of the FBUR will also complement the support that Serbia is receiving through several other projects, on-going and in the pipeline (see Section 1.1).

The Government of Serbia has requested UNDP's assistance in the design and implementation of this project given UNDP's recognized role in capacity development and based on the fact that UNDP is the implementing agency for a large portfolio of GEF-funded climate change projects. The project is fully in compliance with the comparative advantages matrix approved by the GEF Council. The project is also in line with two of the UNDP's priorities for Serbia: Sustainable Development and The Environment. Currently UNDP is supporting other projects in Europe and CIS, focused on supporting governments in the preparation of National Communications to UNFCCC. The proposed project is consistent with the UNDP's mandate on promoting environmental protection, while recognizing the need to sustainably manage resources through capacity building and encouraging broader multi-sectoral participation of stakeholders.

¹³ <http://www.mprpp.gov.rs/dokumenti/>

This project will support environmental a multilateral environmental agreement, which is a stated national priority listed in the UNDAF, which has been agreed upon by the Government of Serbia and the UN as the strategic cooperation framework for 2010-2014 period. The capacity development activities under this project and its particular emphasis on assisting in developing MRV arrangements and conducting an analysis of gaps and constraints in finance, technology and capacity. These components of the project directly support the UNDAF Outcome 2 whereby the government meets the requirements of multilateral environmental agreements and adopts the environment as a cross-cutting issue in participatory development planning. This area of cooperation specifically focuses on enhancing the capacity of the government in the area of integrated resources management, and it explicitly mentions climate change mitigation and adaptation as an agency outcome.

2.2 Country Ownership

The Government of Serbia and the various national stakeholders are very motivated to support and implement the project, as climate change issues are becoming more and more prominent in various sectors and at the top level. The Project will be managed by UNDP and the MAEP through a Project Implementation Unit (PIU) and guided by the Project Board (PB), consisting of key national governmental and non-governmental agencies, and appropriate local level representatives (see further in Section 5.1). Through its Division for Climate Change in environment, MAEP in cooperation with the Serbian Environmental Protection Agency (SEPA) will perform a leadership and coordination role for the Project acting in coordination with the other key stakeholders, which include relevant sectorial Ministries (Agriculture, Water, Forestry, Regional Development, Trade and Interior Affairs), research and scientific institutions, institutes, companies, civil society organizations and other stakeholders that may be included in the Project through the Project's participatory approach.

The integration of the different sectors has the effect of strengthening the country ownership of the project and supporting the consolidation of the institutional and technical capacity of a broad range of stakeholders.

2.3. Project Objectives

2.3.1 Project Development Objective:

The **development objective** of the project is to assist the country in mainstreaming and integration of climate change consideration into national and sectorial development policies by giving continuity to the institutional and technical capacity strengthening process, partly initiated and sustained by the National Communications.

2.3.2 Project Immediate Objective:

The **immediate objective** of the project is to assist the Republic of Serbia in the preparation and submission of its First Biennial Update Report (FBUR) to the Conference of the Parties to the UNFCCC for the fulfillment of its obligations to the Convention and Decision 1/CP.16.

2.4 Project Outcomes/Outputs

The project objective will be achieved with the fulfillment of the following outcomes, which are in line with the GEF's climate change mitigation strategic objective (SO-6) under GEF-5: Enabling Activities: Support enabling activities and capacity building under the Convention. The outcome is: Completed climate change enabling activities under the UNFCCC. The following project Outcomes (Equivalent to Activities in ATLAS) followed by their related Outputs are expected to be achieved during this project:

2.4.1 Outcome 1: Updated information on the national circumstances and institutional arrangements relevant to the Initial National Communication

The information on the national circumstances provided in the Initial National Communication (INC) will be updated taking into account all new studies, projects and research developed since the preparation of the INC, but also using the findings that will become available from the SNC. This outcome includes an update of the country characterization in terms of demography, natural resources, climate and education, social and cultural aspects, as well as macroeconomic parameters, employment, income and services. It will also include the characterization of the specific sectors such as water resources, energy, waste, transport. In particular, it will be analyzed how the national circumstances described may affect country's ability to deal with mitigating to climate change. Special attention will be paid to new information and data related to those sectors that are largest contributors to the GHG emissions.

National development objectives, priorities and circumstances will also be described, including the specific needs and concerns arising from the adverse effects of climate change. Further, information on the institutional arrangements and the mechanisms for stakeholder's involvement relevant to the preparation of the national communications and the biennial update reports will be included.

Outputs for Outcome 1:

- 1.1 Updated information on socio-economic and political issues in Serbia which may affect its ability to deal with climate change mitigation.
- 1.2 Updated information on the integration of the UNFCCC requirements in the national legislation, national development objectives and priorities, and specific needs for improvement.
- 1.3 Updated information on institutional arrangements relevant to the preparation of the national communications and biennial update reports on a continuous basis.
- 1.4 Assessment of gaps, needs and priorities for education, training and public awareness important for stakeholders involvement in the preparation of national communications and biennial update reports.
- 1.5 Trainings for stakeholders.

2.4.2 Outcome 2: GHG inventory from the previous national communication recalculated, and for the period 2010-2013 prepared and elaborated.

Under the Initial National Communication, submitted in 2010, Serbia prepared and submitted the GHG inventories for the years 1990 and 1998. In accordance with responsibilities, Serbian Environmental Protection Agency initiated collection of data and preparation of GHG inventories therefore, the Second National Communication project, currently under implementation, will improve and complete time series and GHG inventories from 2000-2009 and for the years 2014 and 2015. The FBUR will include GHG Inventories for the period 2010-2013.

The national inventory in the INC was prepared according to the Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories using Tier 1 Methods. The INC used the internationally recommended values for net calorific values and emission factors for all fossil fuels (solid, liquid and gaseous), except for the low calorific open pit mined lignite.

In the FBUR Tier 2 methods will be applied for all sectors where applicable, according to availability and quality of data. This is especially relevant for emissions resulting from lignite – which has a significantly lower net calorific value and a higher emission factor value than the international standard values. As such, the country-specific emissions coefficient was calculated during the process of INC preparation. The country-specific emissions coefficient will be re-calculated during the preparation of the FBUR.

The GHG inventory in the INC did not include halogenic hydrocarbons (HFC and PFC), or sulphur hexafluoride (SF₆). There were no records available of import or consumption of synthetic gases (i.e. the available amounts) in available official documents and, therefore, related emissions could not be estimated according to the international method. The FBUR GHG inventory will try to include these gases as well, using, among other things, data collected by the SEPA.

Additional attention will also be focused on GHG emissions from LULUCF. This will include an up-to-date analysis of forestry resources, including species composition and growth rates. A preliminary attempt will also be made to estimate GHG emissions and removals from soils, which will be incorporated into LULUCF analysis. Base for these analyses, will be SEPA's collected data and prepared inventories for the period until 2010. The FBUR should include development of software for data preparation needed in the transport sector.

The final quality control and quality control of the sub-sector input data and calculations will be performed during the integration of the results into the overall inventory of the GHG emissions, for each analysed year, using IPCC software.

The methodologies to be utilised will include the most up-to-date recommendations by the IPCC Task Force on National Greenhouse Gas Inventories.

Additionally, analysis of data collection and management system as a part of environmental information system will be prepared, and the preparation of recommendations for improvement will be one of the most important outputs of this component of the project. In order to ensure sustainability of the project, during the implementation, special attention will be paid on strengthening the cross-sector collaboration in the preparation of GHG inventory.

Outputs for Outcome 2:

- 2.1. Activity data collected for the period 2010-2013 as per recommended Guidelines
- 2.2. GHG inventory for the period 2010-2013 prepared
- 2.3. National Emission Factors for the key sources updated on annual basis, as needed
- 2.4. Tables for LULUCF and sector-report tables prepared
- 2.5. Data collection and management system as a part of environmental information system analysed, and recommendations for the improvement given.
- 2.6. Capacities for preparation of inventories increased.
- 2.7. Cross-sector collaboration for the preparation of GHG Inventory strengthened.

2.4.3 Outcome 3: Mitigation actions and their effects, including associated methodologies and assumptions, and the implementation progress described

The mitigation assessment will focus on clearly defined objectives and emphasize implementation. The results will facilitate the national mitigation action and planning, will enable recognition of the mitigation efforts in the country, as well as will link the national mitigation action to international support.

The mitigation analysis for the FBUR will follow the recommendations of the INC and the NAMAs findings. It will include recommendations and decisions that come from the UNFCCC negotiation process.

The scope of the sectoral mitigation assessments will include an analysis of related legislation, policies and programmes that facilitate the rapid implementation of mitigation technologies and practices, as well as – to the extent possible – the macro-economic impact of the mitigation options (including possibilities for green job creation). The EU approximation process and international requirements deriving from UNFCCC as guiding principles for development will be taken into consideration while doing the analyses within the FBUR.

The basic steps will include:

- Analytical work on progress of mitigation actions listed in the previous national communication, identified NAMAs and the other relevant sectoral documents and studies;
- Assessment of sectoral mitigation potentials until 2020, considering social and economic trends using the most applicable models for the country;
- Appropriate criteria for prioritization of the mitigation actions will be developed, and mitigation actions evaluated;
- Priorities in mitigation actions identified.

Description of identified mitigation actions, including nature of actions, coverage, quantitative goals, progress indicators, methodologies and assumptions will be presented in tables. It is expected that this project will support all the activities related to NAMAs being developed under the JICA project and will be taken into account in the Second National Communication, including the above mentioned.

Outputs for Outcome 3:

- 3.1. Progress of mitigation actions listed in the previous national communication evaluated
- 3.2. Assessment of sectoral mitigation potentials until 2020, considering social and economic trends using the most applicable models for the country;
- 3.3. Appropriate criteria for prioritization of the mitigation actions developed, and mitigation actions evaluated
- 3.4. Priorities in mitigation actions identified
- 3.5. Description of identified mitigation actions, including nature of actions, coverage, quantitative goals, progress indicators, methodologies and assumptions prepared
- 3.6. Tables of identified mitigation actions prepared
- 3.7. Information provided on the national arrangements to enable the implementation of NAMAs.

2.4.4 Outcome 4: Constraints, gaps and financial, technology and capacity building needs identified

In order to evaluate the current state, in the FBUR assessment of fulfilling the UNFCCC reporting requirements will be updated, considering the findings in the INC. Additionally, constraints and gaps will be identified, as well as technology, financial and capacity building needs. A study of financial, technological and capacity needs and constraints of institutions responsible for activities related to climate change will be conducted through the collection, synthesis and analysis of existing information, individual interviews or group discussions, site visits, among others.

Information on financial resources, technology transfer, capacity building and technical support received from bilateral and multilateral donors, IFIs, etc. for activities related to climate change will be collected and presented. Also, information on national resources allocated for climate change upon ratification of the UNFCCC will be presented in order to show national efforts on the combat against climate change.

Outputs for Outcome 4:

- 4.1. Updated information on current situation in fulfilling the UNFCCC reporting requirements
- 4.2. Constraints and gaps identified
- 4.3. Technology, financial and capacity building needs regarding to mitigation actions and its MRV identified
- 4.4. Updated information on received support from bilateral and multilateral donors, with special attention on technologies
- 4.5. Information on national resources allocated for climate change upon the ratification of the UNFCCC collected

2.4.5 Outcome 5: Domestic Measurement, Reporting and Verification arrangements are supported

The FBUR will put special attention on existing arrangements for monitoring, reporting and verification (MRV) and needs for their improvement. The main aim is to identify current situation, as well as gaps, constraints and needs for improvement of MRV arrangements, including organizational, institutional, cross-sector, and technical and capacity building. Analysis of the current situation in regard to legislation and institutions relevant for MRV will be carried out. The identification of all important stakeholders and their existing capacities will be realized. Stakeholders' need analysis will also be conducted. Based on these findings, trainings, workshops, seminars will be organized. Recommendations for the improvement of existing MRV arrangements will be prepared in cooperation with SEPA. Different stakeholders will be involved in those activities in order to ensure sustainability of an MRV system, once it is completely established.

While the FBUR increases capacities for MRV on the national level, the SNC project will be oriented towards improving national capacities for identification, preparation and realization of mitigation and adaptation measures. The assistance given through the FBUR will also complement the support that the Ministry is receiving through several other projects, ongoing and in the pipeline.

Outputs for Outcome 5:

- 5.1. Detailed analysis of domestic MRV arrangements conducted
- 5.2. Information on gaps and needs for improvement of MRV arrangements prepared
- 5.3. Identification and assessment of different options for domestic MRV based on national circumstances and capabilities and different nature of the mitigation actions
- 5.4. Consultative process with all relevant stakeholders for selection of the most preferable domestic MRV option realized
- 5.5. Recommendations, including technical and the other relevant information, timeframe, role of stakeholders, etc. and legal acts for the most preferable option for domestic MRV prepared
- 5.6. Capacity-building trainings for the fulfillment of MRV requirements organized

2.4.6 Outcome 6: Compilation of information, preparation of final version and publication of the First Biennial Update Report

When the expected outcomes 1 to 5 and its respective outputs are completed the First Biennial Update Report document will be compiled according to the guidelines contained in Annex II of Dec. 2/CP.17 and it will be submitted to the Conference of the Parties in the United Nations Framework Convention on Climate Change according to the requirements and formats established by the UNFCCC Secretariat.

Outputs for Outcome 6:

- 6.1. Final version of the First Biennial Update Report (FBUR) completed
- 6.2. FBUR published and submitted in accordance with the guidelines

2.4.7 Outcome 7: Monitoring, reporting, and preparing of financial audits

See Section 6 for Monitoring and reporting arrangements.

A Project Audit will follow UNDP Financial Regulations and Rules and applicable Audit policies.

Outputs for Outcome 7:

- 7.1 Project financial and progress reports prepared and submitted.

2.5 Sustainability and Replicability

The development and submission of Serbia's First Biennial Update Report (FBUR) would assist Serbia to fulfill its obligations to the UNFCCC. Importantly, it would allow Serbia to establish a regular – biennial – reporting cycle to the UNFCCC that would include the following events:

- First BUR by December 2014
- Second National Communication in 2016
- Second BUR by the end of 2018
- Third National Communication by the end of 2020

Through the FBUR, updated information on socio-economic and political issues which may affect the country's ability to deal with climate change mitigation will be addressed, including information on fulfilling the UNFCCC requirements through the national legislation, national development objectives and priorities. In addition, information on institutional arrangements

relevant for the preparation of the national communications and biennial update reports on a continuous basis will be updated. The assessment of gaps, needs and priorities for education, training and public awareness important for stakeholders involvement in preparation of national communications and biennial update reports will be conducted and trainings for stakeholders will be organized. The most important contribution of the FBUR will be contributing to improving national capacities for MRV and a more efficient monitoring of Serbian efforts to meet the obligations to the UNFCCC. Special attention will be paid on a detailed assessment of domestic MRV arrangements, gaps and needs for its improvement, as well as assessment of existing constraints and gaps for fulfilling the UNFCCC reporting requirements. In the FBUR financial and capacity building needs regarding to mitigation actions and its MRV will be identified.

Serbia's FBUR will be built on the findings and recommendations of the INC and serve as a complement and input to the preparation of the SNC. However, overlap in utilizing resources for the preparation of the two documents will be avoided:

- The FBUR GHG inventories will focus on the period 2010-2013 and complete the time series to be prepared under the SNC (for the period 2000-2009, and for the years 2014 and 2015).
- The FBUR will put special attention on existing arrangements and improvements for monitoring, reporting and verification (MRV), and not include information on adaptation measures.

The FBUR document will include a set of identified priority mitigation actions based on the assessment of sectoral mitigation potentials. In addition, the nature of actions, coverage, quantitative goals, progress indicators, methodologies and assumptions, will be presented in tables. As part of the activities under this BUR, a report will be elaborated containing a description on the national arrangements to enable the implementation of NAMAs. The FBUR will include information on received support from bilateral and multilateral donors, with special attention on technologies and national resources allocated for climate change upon ratification of the UNFCCC.

3 PROJECT RESULTS FRAMEWORK

This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: 2.5.4.2 Improved national response to adapt to and mitigate the impact of global climate change, and adhere to relevant international conventions
Country Programme Outcome Indicators: Improved mechanisms to protect the environment, ensure sustainable management of natural resources, and mitigate and/or adapt to the impacts of global climate change on social, economic, and ecologic systems
Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): 1. Mainstreaming environment and energy
Applicable GEF Strategic Objective and Program: Climate Change Enabling Activity
Applicable GEF Expected Outcomes: Human and institutional capacity of recipient countries
Applicable GEF Outcome Indicators: Countries and institutions supported by the GEF

	Indicator	Baseline	Targets		Source of verification	Risks and Assumptions
				End of Project		
Project Objective[1] (equivalent to output in ATLAS): To assist the Republic of Serbia in the preparation of its First Biennial Update Report (FBUR)	Preparation and submission of the first BUR	Serbia has not submitted a Biennial Update Report		The BUR will be endorsed and submitted to the UNFCCC.	UNFCCC documentation; government records	Risk: Insufficient attention to CC issues on the part of the Government due to other pressing concerns will hinder project implementation. Risk rating: Low Assumptions: Continued interest on behalf of Serbia in engagement in climate change issues
Outcome 1 (equivalent to activity in ATLAS): Updated information on the national circumstances and institutional arrangements	Information covered related to economic and political issues in Serbia which may affect its ability to deal with climate change mitigation	The INC included information, but it is outdated		Updated information to reflect the current situation	* The appropriate chapter of the BUR	Risk: No major risks identified
	Information provided on the integration of the UNFCCC requirements in national legislation, development objectives, and priorities and specific needs for improvement	The INC included information, but it is outdated		Updated information to reflect the current situation	* The appropriate chapter of the BUR	Assumptions: No major assumptions

	Indicator	Baseline	Targets		Source of verification	Risks and Assumptions
			End of Project			
relevant to the Initial National Communication	Information provided on institutional arrangements relevant to the preparation of national communications and biennial update reports on a continual basis	The INC included information, but it is outdated	Updated information to reflect the current situation	* The appropriate chapter of the BUR		
	Assessment of gaps, needs and priorities for education, training and public awareness important for stakeholders involvement in the preparation of national communications and biennial reports	The SNC will include some of this information, but would be two years later and not include biennial reports	Updated information published in 2014 which would include biennial reports	* The appropriate chapter of the BUR		
	Trainings for stakeholders carried out as part of the biennial reporting process	No trainings carried out	Trainings carried out	* Project documents Training reports		
Outcome 2 (equivalent to activity in ATLAS): GHG inventory from the previous national communication recalculated, and for the period 2010-2013 prepared and elaborated.	Years of activity data collected	Activity data collected for the years 1990, 1998, 2000 – 2009	Activity data collected for the period 2010-2013 as per Revised 1996 IPCC Guidelines	* Databases of GHG inventories *	Risk: Insufficient data available to fill gaps Risk rating: Low for all years, though some years may not have all data Assumptions: Assumes good data sharing and building on the data and methods developed during the INC preparation	
	Years of compiled GHG inventories	GHG inventories for the years 1990, 1998, 2000 – 2009	GHG inventory for the period 2010-2013 prepared	* Databases of GHG inventories *		
	Existence of country-specific and standard emissions factors	Serbia-specific emissions factor for lignite calculated with the rest using Tier-1 methodology	National Emission Factors for the key sources updated on annual basis, as needed	* Reports from the GHG Inventory		
	Level of detailed analysis of the LULUCF sector	Net emissions due to changes in forest and other woody biomass stocks as well as forest and grassland conversion described only for certain years	Tables for LULUCF and sector-report tables prepared	* Reports from the GHG Inventory * Databases on LULUCF		

Indicator	Baseline	Targets		Risks and Assumptions	
		End of Project	Source of verification		
Outcome 3 (equivalent to activity in ATLAS): Mitigation actions and their effects, including associated methodologies and assumptions, and the implementation progress described	Level of institutionalization of data collection and management systems for GHG inventories	Data collection spread among different institutions	Data collection and management system as a part of environmental information system analyzed, and recommendations for the improvement given.	* Project documents (including final report and evaluation)	
	Level of cross-sector collaboration for the preparation of the GHG inventory	Little cross-sector collaboration for the preparation of the GHG inventory	Cross-sector collaboration for the preparation of GHG Inventory strengthened.	* Project documents (including final report and evaluation)	
	Level of reporting on progress of mitigation actions from the previous national communication	No reporting on progress carried out	Progress of mitigation actions listed in the previous national communication evaluated	* The appropriate chapter of the BUR	
	Level of information available on technical and economic potential of GHG reduction from various sectors	Analysis of possibilities for GHG mitigation presented, though not always including technical and economic potential and not from all sectors	Assessment of sectoral mitigation potentials, considering social and economic trends, until 2020	* Reports from the mitigation analysis * The appropriate chapter of the BUR	
	Existence of prioritization criteria for mitigation actions for evaluation	No national criteria exist for prioritization and evaluation	Appropriate criteria for prioritization developed, and mitigation actions evaluated	* Project documents (including final report and evaluation)	
	Identification of mitigation priority mitigation actions	Mitigation priorities not identified in all sectors	Priorities in mitigation actions identified	* The appropriate chapter of the BUR	
	Description of identified mitigation actions, including nature of actions, coverage, quantitative goals, progress indicators, methodologies and assumptions	Not prepared	Prepared	* Methodological reports * The appropriate chapter of the BUR	
					Risk: Changing prices and conditions mean that mitigation analysis does not correspond to actual legislative and economic/financial conditions Risk rating: Medium – it will be important to ensure that the BAU and mitigation measures are reflective of legislative restrictions and incorporate price/economic sensitivity to give a realistic range of values. Assumptions: Assumes no major economic upheavals during the period of analysis

	Indicator	Baseline	Targets		Source of verification	Risks and Assumptions
			End of Project			
Outcome 4 (equivalent to activity in ATLAS): Constraints, gaps and financial, technology and capacity building needs identified	Preparation of tables of identified mitigation actions	Not prepared	Prepared	* The appropriate chapter of the BUR		
	Information on the national arrangements to enable the implementation of NAMAS	Not provided	Provided	* Project documents * The appropriate chapter of the BUR		
	Availability of updated information on the current situation in fulfilling the UNFCCC reporting requirements	Not available	Available	* The appropriate chapter of the BUR		
	Identification of constraints and gaps related to fulfilling the UNFCCC reporting requirements and addressing climate change mitigation	Identified as part of the SNC - available in 2016	Identified and available in 2014	* Project documents * The appropriate chapter of the BUR		
	Identification of technology, financial and capacity building needs regarding mitigation actions and MRV	Identified as part of the SNC - available in 2016,	Identified and available in 2014, including MRV	* The appropriate chapter of the BUR and supplemental resources as necessary		Risk: No major risks identified Assumptions: No major assumptions
Outcome 5 (equivalent to activity in ATLAS): Level of gaps and needs for improvement of MRV arrangements	Information available on received support from bilateral and multilateral donors, with special attention to technologies	No information available in a consolidated, updated format	Updated information available in a consolidated format	* The appropriate chapter of the BUR and supplemental resources as necessary		
	Information available on national resources allocated for climate change activities related to the UNFCCC	No cumulative information available	Information available	* The appropriate chapter of the BUR and supplemental resources as necessary		
	Level of analysis of domestic MRV arrangements	No detailed analysis conducted	Detailed analysis conducted	* Project documents		Risk: No major risks identified Assumptions: No major assumptions
	Level of gaps and needs for improvement of MRV arrangements	Information not prepared	Information prepared	* Project documents		

Description	2014												2015											
2.5. Data collection and management system as a part of environmental information system analysed, and recommendations for the improvement given																								
2.6. Cross-sector collaboration for the preparation of GHG Inventory strengthened.																								
3. Mitigation actions and their effects, including associated methodologies and assumptions, and the implementation progress described																								
3.1. Progress of mitigation actions listed in the previous national communication evaluated																								
3.2. Assessment of sectoral mitigation potentials until 2020, considering social and economic trends using the most applicable models for the country																								
3.3. Appropriate criteria for prioritization of the mitigation actions developed, and mitigation actions evaluated																								
3.4. Priorities in mitigation actions identified																								
3.5. Description of identified mitigation actions, including nature of actions, coverage, quantitative goals, progress indicators, methodologies and assumptions prepared																								
3.6. Tables of identified mitigation actions prepared																								
3.7. Information provided on the national arrangements to enable the implementation of NAMAs																								
4. Constraints, gaps and financial, technology and capacity building needs identified																								
4.1. Updated information on current situation in fulfilling the UNFCCC reporting requirements																								
4.2. Constrains and gaps identified																								
4.3. Technology, financial and capacity building needs regarding to mitigation actions and its MRV identified																								
4.4. Updated information on received support from bilateral and multilateral donors, with special attention on technologies																								

Description	2014												2015					
4.5. Information on national resources allocated for climate change upon the ratification of the UNFCCC collected																		
5. Domestic Measurement, Reporting and Verification arrangements are supported.																		
5.1. Detailed analysis of domestic MRV arrangements conducted																		
5.2. Information on gaps and needs for improvement of MRV arrangements prepared																		
5.3. Identification and assessment of different options for domestic MRV based on national circumstances and capabilities and different nature of the mitigation actions																		
5.4. Consultative process with all relevant stakeholders for selection of the most preferable domestic MRV option realized																		
5.5. Recommendations, including technical and the other relevant information, timeframe, role of stakeholders, etc and legal acts for the most preferable option for domestic MRV prepared																		
5.6. Capacity-building trainings for the fulfillment of MRV requirements organized																		
6. Compilation of information, preparation of final version and publication of the First Biennial Update Report.																		
6.1. Final version of the First Biennial Update Report (FBUR) completed																		
6.2. FBUR published and submitted in accordance with the guidelines																		
7. Monitoring, reporting, and preparing of financial audits																		
Inception Workshop and Report																		
Measurement of Means of Verification of project results.																		
Annual Project Reviews/ Project Implementation Reviews																		
Periodic status/ progress reports																		
Compile a Lessons Learned Note on project implementation and the BUR preparation process to be distributed to government counterparts, to UNDP Serbia, and to other GEF-funded project teams in order to share experience and good practice in the preparation of BURs																		
Project Terminal Report																		

Award ID:	00076646	Project ID(s):	00087930
Award Title:	Serbia's First Biennial Update Report		
Business Unit:	Environment and Energy		
Project Title:	Serbia's First Biennial Update Report		
PIMS no. 5249	5249		
Implementing Partner (Executing Agency)	Ministry of Agriculture and Environmental Protection of the Republic of Serbia		

GEF Outcome/Atlas Activity	Responsible Party/Implementing Agent	Fund ID	Donor	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD) 2014	Amount Year 2 (USD) 2015	Total (USD)	See Budget Note:
OUTCOME 1: GHG Inventory	UNDP / SEPA	62000	GEF 10003	71300	Local Consultants	82,000	2,000	84,000	1
				71600	Travel	5,000		5,000	2
				72100	Contractual services-Companies	20,000		20,000	3
				74100	Professional Services	5,000		5,000	4
				74200	Audio Visual & Print Product Costs	5,000		5,000	5
				74500	Miscellaneous	1,000		1,000	6
					sub-total GEF	118,000	2,000	120,000	
OUTCOME 2: Mitigation Analysis	UNDP	62000	GEF 10003	71200	International Consultants	36,750		36,750	7
				71300	Local Consultants	40,000		40,000	8
				71600	Travel	4,000		4,000	9
				72100	Contractual services-Companies	13,250		13,250	10
				74500	Miscellaneous	1,000		1,000	11
									sub-total GEF
OUTCOME 3: Domestic MRV support	UNDP / SEPA	62000	GEF 10003	71200	International Consultants	21,000	5,250	26,250	12
				71600	Travel	4,000	2,000	6,000	13
				72100	Contractual services-Companies	11,250		11,250	14
				74500	Miscellaneous	500		500	15
									sub-total GEF

OUTCOME 4: National Circumstances, financial, technology and capacity building needs, and publication and submission of the FBUR	UNDP	62000	10003	71300	Local Consultants	26,400	4,000	30,400	16
				71600	Travel	2,000		2,000	17
				74100	Professional Services	1,500		1,500	18
				74200	Audio Visual & Print Product Costs	13,000		13,000	19
				74500	Miscellaneous	600	500	1,100	
					sub-total GEF	43,500	4,500	48,000	
				71200	International Consultants		7,000	7,000	20
				71300	Local Consultants	1,000	2,000	3,000	21
				74100	Professional Services	2,000	1,000	3,000	22
					sub-total GEF	3,000	10,000	13,000	
OUTCOME 5: MONITORING, LEARNING, ADAPTIVE FEEDBACK & EVALUATION	UNDP	62000	10003	71400	Contractual Services	19,600	5,900	25,500	23
				71600	Travel	1,000	1,000	2,000	24
				74599	UNDP cost recovery chrgs-Bills	3,500	1,000	4,500	25
					Total Management	24,100	7,900	32,000	
					Project total	320,350	31,650	352,000	
Project management	UNDP	62000	10003						

Budget Notes	
1	National GHG Inventory Expert (\$800 x 70 weeks) and GHG inventory management and database Expert (\$800 x 35 weeks)
2	In-country travel
3	Consultations, workshops
4	Translation costs
5	Workshop materials
6	Miscellaneous, bank charges, insurance and unexpected costs
7	International Climate Change Mitigation Expert (\$1050 x 35 weeks)
8	Climate Change Mitigation Expert (\$800 x 50 weeks)
9	International consultant travel, National consultants in-country travel

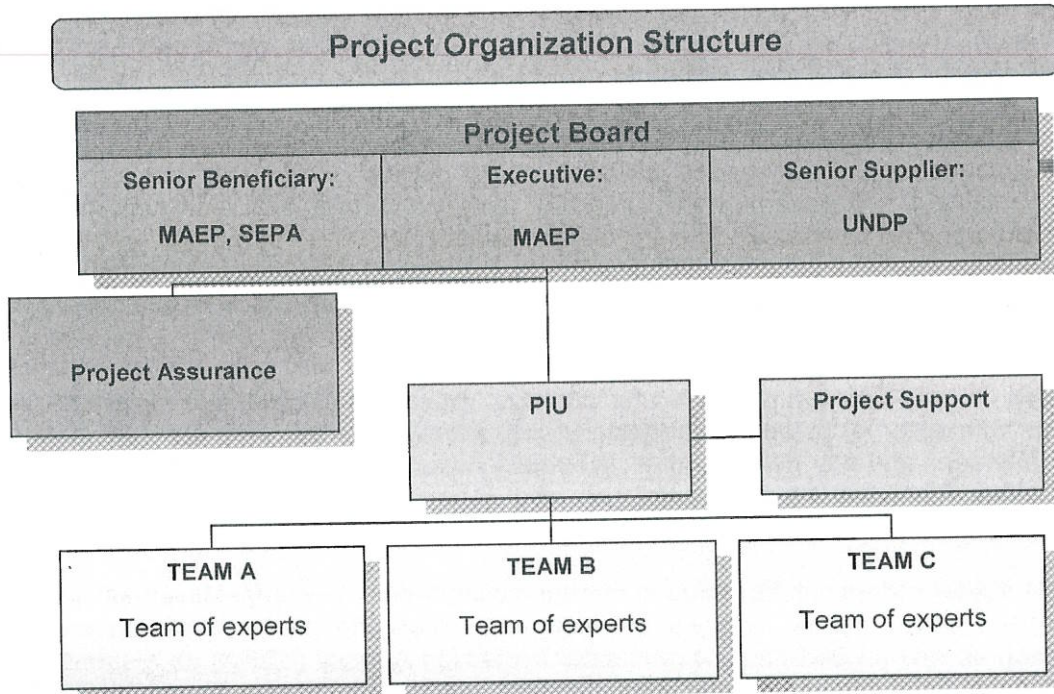
10	Consultations, workshops
11	Miscellaneous, bank charges, insurance and unexpected costs
12	International Climate Change Policy Expert (\$1050 x 25 weeks)
13	International consultant travel
14	Consultations, workshops
15	Miscellaneous, bank charges, insurance and unexpected costs
16	Climate Change Policy Expert (\$800 x 30 weeks), Writer and Compiler (\$800 x 8 weeks)
17	In-country travel
18	Translation costs
19	Final BUR printing
20	International Evaluation Expert (\$1000 x 7 weeks)
21	Project Terminal report
22	Audit fee
23	Project Manager (Salary for 73 weeks, \$200/week), Project Officer (Salary for 73 weeks, \$150/week)
24	Travel related to CC issues, to workshops/seminars, international or local
25	Direct Project Costs as per attached LoA

Summary of Funds:¹⁴

	Amount Year 1 (USD) 2014	Amount Year 2 (USD) 2015	Total
GEF	320,350	31,650	352,000
Donor 2 (in-kind) Government	33,218	16,609	49,827
TOTAL	353,568	48,259	401,827

¹⁴ Summary table should include all financing of all kinds: GEF financing, cofinancing, cash, in-kind, etc...

5 MANAGEMENT ARRANGEMENTS



5.1 Implementation arrangements

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

At the national level, the Ministry of Agriculture and Environmental Protection (MAEP) will act as **Implementing Partner and coordinating body** of the Project. Serbian Environmental Protection Agency, as part of the Ministry of Agriculture and Environmental Protection, will be involved as a Responsible Party for the preparation of GHG Inventory. Based on the experience of developing the INC, it is understood that the most effective way to address climate change, is to allow real co-management of the issue, where all the stakeholders are involved. The MAEP will appoint a senior official to be the **National Project Director (NPD)**. The NPD will ensure full government support of the project. The project will be implemented under the National Implementation Modality (NIM) with UNDP support.

A **Project Implementation Unit (PIU)** will be established by UNDP. The PIU will be responsible for overall project coordination and implementation, consolidation of work plans and project papers,

preparation of quarterly progress reports, reporting to the project supervisory bodies, and supervising the work of the project experts and other project staff. The PIU will also closely coordinate project activities with relevant Government institutions and hold regular consultations with other project stakeholders. The PIU will also closely coordinate project activities with relevant government institutions and hold regular consultations with other project stakeholders and partners, including UNDP's relevant projects.

Overall guidance will be provided by the **Project Board (PB)**. This will consist of key national governmental and non-governmental agencies, and appropriate local level representatives. UNDP will also be represented on the PB. The PB will be balanced in terms of gender. The Project Board will be responsible for making management decisions for the project, in particular when guidance is required by the Project Manager. It will play a critical role in project monitoring and evaluations by assuring the quality of these processes and associated products, and by using evaluations for improving performance, accountability and learning. The Project Board will ensure that required resources are committed. It will also arbitrate on any conflicts within the project and negotiate solutions to any problems with external bodies. In addition, it will approve the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities. Based on the approved Annual Work Plan, the Project Board can also consider and approve the quarterly plans and also approve any essential deviations from the original plans.

Relevant stakeholders will be included through collaboration. Sectorial Ministries, such as Ministries for Agriculture, Water, Forestry, Regional Development, Trade and Interior Affairs have an important role in the project, as well as Serbian Environmental Protection Agency (SEPA) as responsible agency for the preparation of GHG inventories and environmental information system. Those Ministries and bodies will participate in project activities aimed at the preparation of GHG inventories and identification and preparation of mitigation actions. In addition, broad range of stakeholders, such as research and scientific institutions, institutes, companies, CSOs, will also participate in the project implementation in order to foster science, technology and innovation initiatives. Other stakeholders will be included in the process through the participatory approach planned within the project.

5.2 Inclusion of stakeholders

The project will also collaborate closely with the other relevant on-going projects in the Republic of Serbia in order to enable an effective information exchange between the projects and full utilization of their results. During the project's implementation, links with relevant regional and international institutions will be created, and their experiences will be used when selecting methodologies and implementing specific activities.

The project implementation team will collaborate closely with all relevant on-going initiatives and projects.

5.3 Gender

With respect to the gender dimension, women will be meaningfully involved, not only as beneficiaries but also in the decision-making process of climate change related activities. Understanding how the different social roles and economic status of men and women are affected by climate change, it will improve actions taken to adapt and to mitigate climate change. In this sense, and for this specific project, the

update of the national circumstances chapter of this Biennial Update Report will consider this gender dimension in order to better understand how the different roles of men and women in social and economic circumstances may affect Serbia's ability to deal with mitigating and adapting to climate change.

The role of women in the climate change mitigation strategies has received little attention, as actions have been perceived to be either technical or scientific in nature. However, as climate change is partly the result of human behavior and affects all people, mitigation strategies must consider the gendered patterns of energy use in order to be effective. In this sense, the project will incorporate a gender perspective in the identification, description and preparation of mitigation actions when relevant.

With regard to the technical team to be hired to implement the enabling activity, gender balance is considered.

6. MONITORING FRAMEWORK AND EVALUATION

The project will be monitored through the following M& E activities. The M& E budget is provided in the table below.

Project start:

A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- a) Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- b) Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- d) Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- e) Plan and schedule Project Board meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first Project Board meeting should be held within the first 12 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc... The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Bi-annual progress:

- Status Survey Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out twice a year.

Periodic Monitoring:

A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

Day to day monitoring of implementation progress will be the responsibility of the Project Coordinator, Director or CTA (depending on the established project structure) based on the project's Annual Work plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

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.

Audit clause:

Audit on project will follow UNDP Financial Regulations and Rules and applicable Audit policies.

Learning and knowledge sharing:

Results from the project will be disseminated within and beyond the project intervention zone 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 project implementation through lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Communications and visibility requirements:

Full compliance is required with UNDP's Branding Guidelines. These can be accessed at <http://intra.undp.org/coa/branding.shtml>, and specific guidelines on UNDP logo use can be accessed at: <http://intra.undp.org/branding/useOfLogo.html>. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: http://www.thegef.org/gef/GEF_logo. The UNDP logo can be accessed at <http://intra.undp.org/coa/branding.shtml>.

Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf.

Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

M& E workplan and budget

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> ▪ PIU ▪ UNDP CO, UNDP GEF 	0	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> ▪ UNDP GEF RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members. 	To be finalized in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> ▪ Oversight by Portfolio Manager ▪ PIU 	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> ▪ PIU ▪ UNDP CO ▪ UNDP RTA ▪ UNDP EEG 	None	Not applicable
Periodic status/ progress reports	<ul style="list-style-type: none"> ▪ PIU 	None	Quarterly

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Mid-term Evaluation	<ul style="list-style-type: none"> ▪ PIU ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team) 	None	Not applicable for EA projects
Final Evaluation	<ul style="list-style-type: none"> ▪ PIU ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team) 	N/A	Not applicable for EA projects
Project Terminal Report	<ul style="list-style-type: none"> ▪ PIU ▪ UNDP CO ▪ Team of consultants consultant 	10,000	At least three months before the end of the project
Audit	<ul style="list-style-type: none"> ▪ UNDP CO ▪ PIU 	3,000	Yearly
Visits to field sites	<ul style="list-style-type: none"> ▪ UNDP CO ▪ UNDP RCU (as appropriate) ▪ Government representatives 	For GEF supported projects, paid from IA fees and operational budget	Yearly
TOTAL indicative COST Excluding project team staff time and UNDP staff and travel expenses		13,000 US\$	

7. LEGAL CONTEXT

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, 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.

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 this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the 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/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

ANNEXES

Annex A. RISK ANALYSIS

Risk	Rating	Mitigation strategy
Insufficient attention to CC issues on the part of the Government due to other pressing concerns will hinder project implementation.	Low	The project team will make sure to engage various Government stakeholders throughout the process.
Insufficient data available to fill gaps for the GHG inventory	Low	Data gaps will be filled in based on IPCC best practices, and – where not available at all for certain years – detailed descriptions of the steps taken to address these gaps will be described.
Changing prices and conditions mean that mitigation analysis does not correspond to actual legislative and economic/financial conditions	Medium	The BAU and mitigation measures will incorporate price/ economic sensitivity analysis to give a realistic range of values.

Annex B. AGREEMENTS

Any additional agreements, such as cost sharing agreements, project cooperation agreements signed with NGOs¹⁵ (where the NGO is designated as the “executing entity”, letters of financial commitments, GEF OFF letter, GEF PIFs and other templates for all project types) should be attached.

¹⁵ *For GEF projects, the agreement with any NGO pre-selected to be the main contractor should include the rationale for having pre-selected that NGO.*

Annex C. DRAFT TERMS OF REFERENCE FOR KEY PROJECT PERSONNEL

C1. ToR for Project Manager

In consultation with the Project Board, the Project Manager (PM) is responsible for day-to-day management, co-ordination and supervision of the implementation of the above project. Specifically, his/her responsibilities are, but not limited, to the following:

- Supervises and ensures the timely implementation of the project relevant activities as scheduled in the working plan
- Coordinate technical and operational activities for the preparation of the outputs of the BUR.
- Ensure effective communication and adequate information flow with the relevant authorities, institutions and government departments.
- Ensure appropriate stakeholder participation in the project implementation and coordinate the work of all stakeholders
- Maintain and establish additional liaisons and connections with other national and international programs and projects relevant for the project implementation.
- Approve the terms of reference for the international and local consultants and experts to be hired for the implementation of the project
- Organize and coordinate the procurement of services and goods under the project.
- Monitor and manage financial resources, oversee overall resource allocation and accounting to ensure accuracy and reliability of financial reports.
- Follow the process of international negotiations in the UNFCCC and respective decisions related to reporting of non-Annex I Parties and in particular in relation to NAMAs, the Registry, MRV and BURs.

Qualifications and Experience

- Preferably master's degree in environment-related studies and other related disciplines
- Good understanding of environment/development issues in Serbia
- At least six to eight years' experience relevant to the project
- Excellent communication (Written and Oral) Skills
- Expertise in putting together results-oriented action plans
- Demonstrated experience in working with government, donors and the United Nations system
- Familiarity with international negotiations and processes under the UNFCCC preferred
- Familiarity with computers and word processing
- A demonstrated ability in managing projects, and in liaising and co-operating with all project personnel including government officials, scientific institutions, NGOs, and private sector
- Fluency in English and Serbian

C2. ToR for Local Project Officer/Technical Assistant

The Local Project Officer/Technical Assistant will work under the direct supervision of the Project Manager and provide assistance to project implementation in the mobilization of inputs, the organization of activities and financial management and reporting.

The Project Officer/Technical Assistant will be responsible for the following duties:

- Prepare a detailed work plan and Budget, and assist the Project Manager to monitor progress against the approved work-plan.
- Manage the day to day operations of the Project implementation unit, particularly with respect to the provision of technical services and support
- Assist the Project Manager in the implementation of technical and operational activities for the preparation of the outputs of the BUR.
- Review technical and support information on climate change studies, projects and initiatives that may contribute to the Project activities.
- Prepare the terms of reference for the international and local consultants and experts to be hired for the implementation of the project
- Assist the Project Manager in the selection process of the consultants to be hired by the Project according to the rules and procedures established by UNDP.
- Participate in the planning, organization and execution of Project activities, including preparation of relevant documents, minutes from the meeting, invitations for a seminars, workshops, meetings, printing, etc.
- Organize and coordinate seminars, training activities, workshops, site visits and other exchange and facilitation events for stakeholders.
- Organize and coordinate information exchanges internationally and between participating institutions.
- Participate in the editing of the BUR report.
- Compile and/or prepare the documentation necessary for the procurement of services, good and supplies under the project
- Prepare administrative, technical and financial reports.
- Perform the procurement of services, good and supplies authorized by the Project Manager.
- Prepare the payment's request as authorized by the Project Manager.

Qualifications and Experience

- University Degree, some training in business and/or administration desirable
- At least five years administrative experience
- Good organizational skills
- Good computer skills, including spread-sheets and database
- Fluency in English and Serbian

C3. ToR for Climate Change policy expert (Nat. Circumstances)

The Climate Change policy expert (Nat. Circumstances) should work in consultation with and under the guidance and supervision of the Project Manager (PM). Specifically, his/her responsibilities include but are not limited to the following:

- Collection and analysis of information related to national circumstances
- Analysis of Serbia's specific needs and concerns arising from the adverse effects of climate change in the context of national development objectives, priorities and circumstances.
- Collection of information and description of institutional arrangements relevant to the preparation of the national communications and biennial update reports on a continuous basis, and description of level of support received to enable the preparation of the FBUR .

Qualifications and experience

- An advanced degree in, environmental management, energy or other field relevant to the project
- A minimum of 7 years of working experience in the area relevant to the Climate Change
- Substantial involvement in the preparation of the initial National Communication
- Good understanding of climate change and sustainable development issues in Serbia
- Demonstrated ability of analytical and drafting work
- Familiarity with computers and word processing
- Fluency in English and Serbian

C4. ToR for National GHG Inventory Expert

The National GHG Inventory Expert should work in consultation with and under the guidance and supervision of the Project Manager (PM). He/she will also have support from GHG inventory management and database expert. Specifically, his/her responsibilities include but are not limited to the following:

- Collect and analyse activity data for the period 2010-2013 as per recommended Guidelines
- Coordinate activities with key partners for specific sectors (Agriculture, LULUCF, Energy)
- Coordinate the necessary activities for the update of National Emission Factors for key source categories updated
- Prepare Worksheets, summary tables, uncertainty management for 2010, 2011, 2012 and 2013 GHG national inventory
- Prepare the inventory report containing the description of the contribution of different sectors to GHG emissions, procedures and arrangements for collection and activation of data and role of institutions involved in the preparation of the GHG inventory
- Prepare updated summary information tables of previous inventories
- Provide an overall technical review of the draft chapter on inventories to be used in the BUR
- Together with the Project Officer and Project Manager, identify specific training needs for enterprises or government agencies and provide recommendations on training
- Collaborate closely with the GHG Inventory and database experts engaged on the GHG inventory through the SNC.

Qualifications and Experience

- An advanced degree in energy or industrial -related studies or another directly-related discipline;
- At least ten years' experience relevant in GHG inventories development;
- Excellent communication skills (written and oral);
- Substantial knowledge of methodologies for inventories (IPCC Revised 1996 and 2006 Guidelines and Good Practice Guidance)
- Working familiarity with relevant software, data collection systems, key source analysis, uncertainty assessment, and QA/QC planning.
- Direct experience with the UNFCCC National Communications process;
- Fluency in English and Serbian

C5. ToR for GHG inventory management and database expert

The GHG inventory management and database expert should work in consultation with and under the guidance and supervision of the Project Manager (PM). He/she will also support the National GHG Inventory Expert. Specifically, his/her responsibilities include but are not limited to the following:

- Collaborate with the GHG Inventory expert in supporting the process of establishment of the GHG Inventory.
- Collaborate in the training of enterprises/industry and institutions to ensure sustainability of the National GHG Inventory.

Qualifications and experience

- An advanced degree in the field of energy, environment, industrial pollution or other field relevant to inventory preparation
- A minimum of 3 years of working experience in the area relevant to inventories preparation and management
- Good understanding of GHGs inventory process and knowledge of IPCC and Good Practice Guidance;
- Demonstrated ability of analytical and drafting work
- Familiarity with computers and data processing (EXCEL; ACCESS)
- Direct experience with the UNFCCC National Communications process
- Fluency in English and Serbian

C6. ToR for Climate Change Mitigation expert

The Climate Change Mitigation Expert should work in consultation with and under the guidance and supervision of the Project Manager (PM). Specifically, his/her responsibilities include but are not limited to the following:

- Collection and analysis of relevant information regarding the mitigation actions or groups of actions being developed in Serbia
- Prepare a report on the mitigation actions to provide a description in tabular format that includes name, nature of the action, coverage, quantitative goals, progress indicators, associated

methodologies and assumptions, objectives, steps taken or envisaged to achieve the action, progress of implementation and results achieved.

- Collection of data on participation in international carbon market mechanisms and preparation of a report containing the collected information
- Prepare a report containing a description on the national arrangements to enable the implementation of NAMAs
- Give technical support to the activities of training and awareness rising to the sectors with mitigation potential on NAMAs and the opportunities for NAMAs in the framework of the UNFCCC.
- Give technical support to the process of identification of NAMAs development potential in the different sectors, at territorial level and also identify the different types of financing and co-financing needed.

Qualifications and experience

- An advanced degree in the field related to energy, industrial-related studies or another directly-related discipline
- At least ten years of relevant research and work experience in climate change mitigation;
- Excellent communication skills (written and oral)
- Substantial experience with cost-benefit analysis, financial analysis, and tools used to assess policies and measures to mitigate climate change
- Working familiarity with relevant software and scenario development
- Direct experience with the UNFCCC National Communications process
- Fluency in English and Serbian

C7. ToR for Writer and Compiler

The Writer and Compiler should work in consultation with and under the guidance and supervision of the Project Manager (PM). Specifically, his/her responsibilities include but are not limited to the following:

- Compile, consolidate, harmonize information from different consultants and experts, and elaborate the BUR report according to the guidelines contained in Annex II of Dec 2/CP.17
- Provide language and content editing support as needed

Qualifications and experience

- An advanced degree in the field of energy, environment, industrial pollution or other relevant field
- A minimum of 10 years of working experience in the area relevant to climate change
- Good understanding of climate change emissions inventories, mitigation measures, and other relevant areas of climate change
- Demonstrated ability of analytical, drafting, and editing work
- Familiarity with computers and data processing (Word, Excel, Adobe)
- Excellent knowledge of English and Serbian

C8. ToR for International Climate Change Mitigation and Measurement, Reporting and Verification expert

The International CC Mitigation and MRV Expert should work in consultation with and under the guidance and supervision of the Project Manager (PM). Specifically, his/her responsibilities include but are not limited to the following:

- Assist the PM in establishing the team of experts for performing the MRV analysis
- Conduct a study for the identification and assessment of the different options and possibilities for the domestic MRV according to the guidelines to be developed by the UNFCCC, considering national circumstances and capabilities, as well as taking into account the different nature of the mitigation actions
- Give technical support to the process of development of the national arrangements and framework for domestic MRV
- Prepare a report describing the progress of implementation and recommendations of such arrangements and framework

Qualifications and experience

- An advanced degree in the field related to energy, industrial-related studies or another directly-related discipline;
- At least 10 years of relevant research and work experience in MRV;
- Excellent communication skills (written and oral);
- Substantial experience with MRV system, cost-benefit analysis and tools used to assess policies and measures to mitigate climate change;
- Direct experience with the UNFCCC National Communications process;
- Fluency in English and knowledge of Serbian would be considered an advantage.

C9. ToR for Evaluation expert

The Evaluation Expert should work in consultation with and under the guidance and supervision of the Project Manager (PM). Specifically, his/her responsibilities include but are not limited to the following:

- Conduct an independent technical evaluation of the BUR including an analysis of calculation methods and results, a peer review of conclusions, etc.
- Provide written feedback for areas where changes or improvements are necessary to comply with UNFCCC requirements.
- Be involved with an iterative process of finalization of the document in conjunction with the other experts.

Qualifications and experience

- An advanced degree in the field related to energy, industrial pollution, fuel quality or other field relevant to the project
- A minimum of 10 years of working experience in the area relevant to climate change (particularly mitigation and greenhouse gas inventories)
- Good understanding of GHGs inventory process and projections
- Demonstrable knowledge of IPCC 1996 and 2006, IPCC GPG, relevant software, etc.
- Demonstrable knowledge of analysis of mitigation options – including related to financing these options.
- Demonstrated ability of analytical and drafting work.
- Familiarity with computers and word processing.
- Substantial involvement in the preparation of National Communications is an asset (inventory and abatement and analysis)
- Strong proficiency in English required. Knowledge of Serbian would be considered an advantage.

Annex D. CAPACITY ASSESSMENT

UNDP Serbia conducted HACT Macro and Micro Assessment for all UNDP Implementing Partners in the Republic of Serbia. Macro-Assessment was conducted in 2010 by an independent authority indicating the lack of the capacity and resources of the Supreme Audit Institution as well as the immanent risk related to the cash management, budget reporting and internal audit function of public sector in the Republic of Serbia. In November 2011 UNDP Serbia also conducted Micro-Assessment of all key Implementing Partners of UNDP Serbia, including the Ministry of Environment, Mining and Spatial Planning.

Assessment was conducted by the independent Audit Company "Baker Tilly, Ltd" procured through UNDP procurement. The key audit areas with medium risk finding were "Staffing, Internal Audit and Reporting and Monitoring". All other risk areas were defined as "low" as follows: Implementing Partner, Funds Flow, Accounting Policies and Procedures, External Audit, Information Systems. The overall report indicated low risk status of the Ministry of Environment, Mining and Spatial Planning.

After the elections in the Republic of Serbia in July 2012, i.e. since 26 July 2012, the Ministry has been merged (Energy and Environment) forming Ministry of Energy, Development and Environmental Protection of the Republic of Serbia, while after the latest elections in the Republic of Serbia in March 2014, i.e. since 27 April 2014, the new Ministry responsible for environmental protection has been created: Ministry of Agriculture and Environmental Protection of the Republic of Serbia. The part dealing with environmental protection has had a long-lasting cooperation in the implementation of GEF projects in cooperation with UNDP, as well as number of other projects in cooperation with different UN entities, such as UNEP, UNECE, UNIDO, etc. The part dealing with agriculture has previous experience in cooperation with different UN entities (e.g. FAO, UNEP, UNECE etc.), thus, the newly formed Ministry has had cooperation with United Nations Organizations which made a solid ground for continuation of the cooperation in developing new proposals.

Due to the fact that the new Ministry was established, in line with UNDP requirements, separate 2013 Micro-Assessment was performed by UNDP Country Office with the new Ministry, in line with UNDP POPP, Project Implementation, Project Definition/Initiation requirements, Prince2 based methodology. Assessment was conducted by UNDP Serbia Prog/Finance and Ministry's Head of Finance Unit. In the meantime, UNDP Serbia will continue engaging external private audit firms to conduct annual audits for NIM/NGO projects until further notice. Since 2003 (year of initial NIM project implementation) UNDP Serbia has had annual external audits every year. All reports have been unqualified with no high audit risks. Every year UNDP Serbia conducts review and recommendation on all audit findings for all projects in Country Office.

Moreover, UNDP has contacted Republic of Serbia Supreme Audit Institution and inquired about the possibility to include UNDP projects into regular SAI annual audits but no positive response was received from SAI due to the lack of staff and no possibility to commit to additional work to be performed by the Institution that started audit exercises in 2007 only. Full Micro-Assessment is attached to the project proposal. Key audit areas defined were: Staffing, Internal Audit and External Audit. UNDP is of the opinion that the Ministry is to be appointed as fully-fledged Implementing Partner to this project.