GEF-6 PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Medium-sized Project
TYPE OF TRUST FUND:Capacity Building Initiative for Transparency

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PART I: PROJECT INFORMATION

Project Title:	Strengthening institutional and technical Macedonian capacities to enhance transparency in the framework of the Paris Agreement		
Country(ies):	FYR of Macedonia	GEF Project ID:[1]	10042
GEF Agency(ies):	UNDP	GEF Agency Project ID:	6223
Other Executing Partner(s):	Ministry of Environment and Physical Planning (MOEPP)	Submission Date:	1st Submission: March 7th, 2018 Re-submission: May 28th, 2018
GEF Focal Area(s):	Climate Change	Project Duration (Months)	36
Integrated Approach Pilot	IAP-Cities ☐ IAP-Commodities ☐ IAP-Food Security ☐		Corporate Program: SGP ☐
Name of parent program:		Agency Fee ($)	125,400

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES[2]

Objectives/Programs (Focal Areas, Integrated Approach Pilot, Corporate Programs)	**Trust Fund**	**(in $)**	
		GEF Project Financing	**Co-financing**
CBIT	CBIT	1,320,000	1,410,000
Total Project Cost		**1,320,000**	**1,410,000**

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: To meet enhanced transparency requirements as defined in Article 13 of the Paris Agreement by strengthening institutional and technical capacity for measuring and reporting on emissions, mitigation and adaptation activities, and support received.

Project Components	**Financing Type[3]**	**Project Outcomes**	**Project Outputs**	**Trust Fund**	**(in $)**	
					GEF Project Financing	**Co-financing**
1. Institutional capacity strengthening for MRV	TA	National institutions for MRV are strengthened and transparency activities are aligned with country priorities	1.1 MRV unit established at MOEPP to oversee climate change reporting on national and international commitments 1.2 Capacity of relevant government organizations strengthened to increase scope and quality of transparency activities 1.3 National networks established of staff responible for MRV within the key relevant government organizations, as well as local experts.	CBIT	328,000	338,000

[1] Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submissions.
[2] When completing Table A, refer to the excerpts on GEF 6 Results Frameworks for GETF, LDCF and SCCF and CBIT guidelines.
[3] Financing type can be either investment or technical assistance.

			1.4 Capacity to ensure gender equality and equity in climate change projects increased			
2. Training and tools for activities conducted under Article 13	TA	Organizations and individuals have the necessary training and tools to conduct MRV activities	2.1 Toolkits and templates for mitigation and adaptation reporting developed and disseminated 2.2 Training program for tranparency activities operationalized 2.3 Transparency concepts integrated into policies and legislation in key (I)NDC areas 2.4 Research and training on climate change and gender developed and disseminated	CBIT	286,000	236,000
3. Design and implementation of a sustainable domestic MRV system	TA	Arrangements for data collection, analysis, and reporting shift from a project-based cycle to a continuous process.	3.1 Integrated system of tracking tools for transparency-related actions and progress established 3.2 Tracking tools refined and cross-cutting MRV established 3.3 MRV system utilized for NDC tracking and reporting 3.4 Gender-sensitive measurement and reporting established	CBIT	586,000	736,000
				Subtotal	1,200,000	1,310,000
				Project Management Cost (PMC)[4]	CBIT	120,000	100,000
				Total Project Cost		1,320,000	1,410,000

For multi-trust fund projects, provide the total amount of PMC in Table B, and indicate the split of PMC among the different trust funds here: ( )

C. INDICATIVE SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE, IF AVAILABLE[5]

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount ($)
Others	European Commission	Grants	1,400,000
Recipient Government	MOEPP	In-kind	10,000
Total Co-financing			1,410,000

[4] For GEF Project Financing up to $2 million, PMC could be up to10% of the subtotal; above $2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

[5] It is anticipated that MOEPP will provide additional resources in Year 3 of the project, but this contribution is not included in the co-financing table as it is not yet secured in the budgeting cycle.

D. INDICATIVE TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS [a)]

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in $)		
					GEF Project Financing (a)	Agency Fee (b)[b)]	Total (c)=a+b
UNDP	CBIT	FYR of Macedonia	Climate Change	(select as applicable)	1,320,000	125,400	1,445,400
Total GEF Resources					1,320,000	125,400	1,445,400

a) Refer to the Fee Policy for GEF Partner Agencies.

E. PROJECT PREPARATION GRANT (PPG)[6]

Is Project Preparation Grant requested? Yes ☐ No ☒ If no, skip item E.

PPG AMOUNT REQUESTED BY AGENCY(IES), TRUST FUND, COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

Project Preparation Grant amount requested:					PPG Agency Fee:		
GEF Agency	Trust Fund	Country/ Regional/Global	Focal Area	Programming of Funds	(in $)		
					PPG (a)	**Agency Fee**[7] (b)	**Total** c = a + b
(select)	(select)		(select)	(select as applicable)			0
Total PPG Amount					**0**	**0**	**0**

[6] PPG requested amount is determined by the size of the GEF Project Financing (PF) as follows: Up to $50k for PF up to$2m (for MSP); up to $100k for PF up to $3m; $150k for PF up to $6m; $200k for PF up to $10m; and $300k for PF above $10m. On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

[7] PPG fee percentage follows the percentage of the Agency fee over the GEF Project Financing amount requested.

F. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS[8]
Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	*Hectares*
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	*Hectares*
3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins;	*Number of freshwater basins*
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	*Percent of fisheries, by volume*
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO_{2e} mitigated (include both direct and indirect)	*metric tons*
5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)	*metric tons*
	Reduction of 1000 tons of Mercury	*metric tons*
	Phase-out of 303.44 tons of ODP (HCFC)	*ODP tons*
6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	*Number of Countries: 1*
	Functional environmental information systems are established to support decision-making in at least 10 countries	*Number of Countries: 1*

PART II: PROJECT JUSTIFICATION

1. *Project Description.* Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area[9] strategies, with a brief description of expected outcomes and components of the project, 4) incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, CBIT and co-financing; 5) global environmental benefits (GEFTF) and/or adaptation benefits (LDCF/SCCF); and 6) innovation, sustainability and potential for scaling up.

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

[8] Provide those indicator values in this table to the extent applicable to your proposed project. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the *GEF-6 Programming Directions*, will be aggregated and reported during mid-term and at the conclusion of the replenishment period. There is no need to complete this table for climate adaptation projects financed solely through LDCF, SCCF or CBIT.

[9] For biodiversity projects, in addition to explaining the project's consistency with the biodiversity focal area strategy, objectives and programs, please also describe which Aichi Target(s) the project will directly contribute to achieving.

The Country became a Party to the UNFCCC when it ratified the convention in 1998. The country signed the Paris Agreement on April 22, 2016, and Parliament ratified the agreement on November 7, 2017. Over the past two decades, the country has compiled and submitted a series of reports and communications to the UNFCCC:

• National Communications: The country has prepared and submitted three National Communications (in 2003, 2009, and 2014).
• Biennial Update Reports: The country submitted its FBUR in January 2015, and it submitted its SBUR in March 2018.
• INDCs: The country submitted its INDCs (now NDCs) in August 2015.

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

Project Baseline

Country Context: Macedonia is a small (25,713km^2), landlocked country that is located in the middle of the Balkan Peninsula in Southern Europe. It has a diverse topography including high mountains and deep valleys. Land use for agriculture covers almost 50% of the country, while forests cover another third of the territory. In spite of its relatively small size, the country has a diverse climate comprised of eight climate regions. Climate change impacts are already evident in Macedonia. Six of the ten warmest years on record since 1951 have occurred between 2007 and 2012 and a heat wave has been recorded in almost every year since 1987.

Analysis of data on extreme weather events (1961-2012) conducted for the Third National Communication (TNC) indicated that the number of summer days has increased significantly in recent years compared to the number at the the beginning of the period, and it found that negative effects of climate change on agriculture are increasing. Agriculture is of significant importance to Macedonia in terms of employment, rural livelihoods, food security and exports. Agricultural land and forests cover almost 80% of the country, and 21.7% of the population is employed in the agricultural sector. This sector, however, is highly climate-sensitive, and potential adverse changes in temperature, precipitation and the frequency of extreme events are likely to exacerbate existing inequalities faced by the more vulnerable poor populations in the country. The most significant climate impacts are associated with soil degradation; water logging and salinization because of unsustainable agricultural practices and land use; poor water management; and biodiversity degradation. On a related note, approximately 48% of the country is impacted by severe or very severe rates of erosion. Land tenure and the relative shortage of land combined with increasing land degradation and the needs of the population make agriculture especially vulnerable to changes in climatic conditions.

The forestry sector is also expected to experience a high level of impact from climate change. The major sources of exposure, and associated impacts, for forests are increasing temperatures, increasing frequency of forest fires, and changes in forest productivity. The most significant impact on forest management in the recent past has been forest fires: approximately 2,800 forest fires were recorded in the period 1999–2012 burning almost 130,000 ha of forest and forest land, with resulting direct and indirect damage estimated at around EUR 67 million. It is expected that up to 60% of boreal forests may be lost due to climate change impacts.

The energy sector generates by far the largest share of GHG emissions in the country. This is due to the fact that fossil fuels, primarily coal, account for over 80% of total energy demand in the country. Their share in gross domestic consumption was 79% in 2014. While this share has decreased slightly in recent years, the reduction is primarily due to an increase in electricity imports, which have in turn increased the country's import dependence. The dominant share of energy consumption takes place in three sectors: energy supply, buildings, and transport. For this reason, the INDC focuses on mitigating emissions in the energy sector.

The country is in a unique situation when it comes to its international obligations regarding monitoring, reporting and verification. In spite of the fact that it is not an Annex I Party of the UNFCCC, it is voluntarily attempting to incorporate Annex I reporting principles as much as possible into the framework of its National Communications and Biennial Update Reports. The country also has the status of a Candidate Country for EU membership, which carries certain obligations in the context of the accession process that will increase as membership negotiations progress. The country currently submits GHG inventory reports to Eionet, the central data repository of the European Environment Agency when new data become available through National Communications and BURs. Finally, The country is a Contracting Party of the Energy Community (EnC), which is rapidly implementing many policies that are directly related to the issue of MRV, such as reporting on GHG emissions and proposed reporting on integrated energy and climate plans.

Institutional Framework: The Ministry of Environment and Physical Planning (MOEPP) serves as the National Focal Point to the UNFCCC, and it oversees climate change reporting and MRV for the Government. Other government ministries and agencies provide inputs for national reporting, including the Energy Agency; the Ministry of Agriculture, Forestry and Water Economy; the Ministry of Economy; the Ministry of Transport and Communication; the Ministry of Health; the Ministry of Finance; and the State Statistical Office. Interagency bodies include the National Council for Sustainable Development, which is responsible for mainstreaming of the sustainable development aspects in national economic policies, and the National Climate Change Committee (NCCC), which provides high-level support and guidance for climate change policy. High-level government support for climate change action is also provided by the Office of the Deputy Prime Minister for Economic Affairs, which is responsible for the achievement of the Sustainable Development Goals, and the Office of the Prime Minister for Economic Affairs.

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

Legislative and regulatory framework: The Law on Environment currently regulates the issue of monitoring of anthropogenic emissions by sources and sinks of greenhouse gases. Article 187 of the Law on Environment stipulates that a National Plan for Climate Change (now embodied in Macedonia's INDCs) is to be adopted for the purpose of stabilizing GHG concentrations at a level that would prevent any dangerous anthropogenic impact on the climate system within a timeframe sufficient to allow ecosystems to naturally adapt to climate change, in accordance with the principle of international cooperation and the goals of the national social and economic development.
This law also addresses GHG inventories. Pursuant to Article 186-a, MOEPP is to establish, develop, manage and coordinate a National System for an Inventory of GHG emissions. This system will provide data for the preparation of the GHG inventory, as well as for monitoring the implementation of the INDCs as the National Plan for Climate Change. However, the Law on Environment does not yet regulate the issue of MRV of policies and measures in detail. In order to be effective, the law would require an amendment.

In order to resolve this regulatory gap, the country is in the process of converting to a legislative and regulatory framework that will be informed by the 2030 Climate and Energy Framework of the European Union. This initiative is being funded by a project entitled "Law and Strategy on Climate Change," which has been programmed under the EU Instrument for Pre-Accession Assistance (IPA II) funding mechanism, and drafting the legislation is beginning this year. As a part of this legislation, legally binding requirements on GHG reporting, such as the identification of data providers and a description of MRV, will be specified. While IPA II support will fund the drafting of the

legislation, it will not provide support for capacity development to manage the inventory system successfully, and it will not support transparency activities.

Finally, several sectoral laws and strategies provide partial guidance on monitoring and reporting on policies and measures in several key areas, including the Law on Energy, the Strategy for Energy Development (Article 10 of the Law on Energy), and the Strategy for the Use of Renewable Energy Sources and its Action Plan for Renewable Energy Sources. In its recommendations for improving GHG inventories, the SBUR inventory team specifically recommended that in the energy sector, the country should "Establish a process for secure, continuous data collection with relevant institutions regarding the composition and carbon content of fuels. These arrangements could be formalized through a Memorandum of Understanding, and they would support the estimation of country-specific emission factors" (SBUR Section 3.10.2). These laws and strategies also have shortcomings in that guidance on monitoring and reporting is at time incomplete and / or unenforced. For example, the Strategy for Energy Efficiency (Article 130 of the Law on Energy) has an associated Action Plan that is developed every three years. While the Law on energy specifies the need for an annual report on the Action Plan and designates the agency that undertakes the reporting, there is no by-law that prescribes the content, manner and deadline for submission of data required for the preparation of the annual report.

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

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

Country Commitments: Current greenhouse gas emissions for 2013 and 2014, the most recent available years, are reported in the SBUR. Aggregate GHG emissions and removals (net emissions) are calculated at 10,720.7 Gg CO_2-eq in 2013 and 9,023 Gg CO_2-eq in 2014 If removals from forestry and other land use are not accounted for, then total GHG emissions are 12,558 Gg CO_2-eq in 2013 and 12,204 Gg CO_2-eq in 2014. The most recent inventory also notes that the dominant share of energy sector emissions is evident throughout the entire period from 1990 to 2014.

The country's NDC reads as follows: "To reduce the CO_2 emissions from fossil fuels combustion for 30%, that is, for 36% at a higher level of ambition, by 2030 compared to the business as usual (BAU) scenario. The CO_2 emissions from fossil fuels combustion cover almost 80% of the total GHG emissions in the country with a dominant share of the following sectors: energy supply, buildings and transport."[10] The NDC also identifies three target sectors: energy supply, buildings, and transport. As the official documentaton explains, "Due to the extensive use of fossil fuels, particularly the dominant share of domestic lignite for electricity production, there is a significant potential in the country for GHG emissions reduction. Having this in mind, the focus…is put on climate change mitigation, that is, on policies and measures which lead to GHG emissions reduction. However, this does not suggest

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

that adaptation is less important. Vulnerable sectors and climate change adaptation shall be subject to a more detailed analysis in the future…."[11]

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

In all three scenarios, CO_2 emissions rise, peaking between 2030 and 2032. Under the BAU scenario, however, CO_2 emissions will almost double by 2030. On the other hand, the 17 measures included in the mitigation scenario (WEM) could lead to an emissions reduction of 30% compared to the BAU, and the 26 measures in the WEM scenario could lead to an emissions reduction of 36%. In other words, CO_2 emissions in 2030 will increase 31% from the base year of 1990 under the WEM scenario and 20% under the WAM scenario.

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

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

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

[11] INDC (2015).

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

It should be noted that a technical anlaysis under the ICA process for the SBUR is expected to take place at some point during 2018. Findings and recommendations from that process will inform the implementation of proposed activities under this CBIT project where relevant.

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

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

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

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

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

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

Proposed Alternative Scenario

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

Component 1: Institutional Capacity Strengthening for MRV
Corresponding Outcome: National institutions for MRV are strengthened and transparency activities are aligned with country priorities

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

The preliminary arrangements are as follows:

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

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

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

Activities:

• Conduct a functional analysis of climate change-related capacity for national and regional agencies, such as the Ministry of Environment and Physical Planning, Ministry of Economy, Ministry of Agriculture, Forestry and Water Economy, the Energy Agency, the Ministry of Finance, Ministry of Transport and Communications, Ministry of Education, the Ministry of Labour and Social Policy (which is responsible for gender issues), and the State Statistical Office
• Use the MOEPP MRV office to conduct briefings for the NCCC, key sectoral ministries, the Government, Parliament, municipalities, and civil society on transparency activities and the NDCs
• Track spending on CC in budgets in coordination with the MRV Unit at MOEPP
• Develop a protocol for providing "on-call" support to other sectoral ministries and government agencies as needed.

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

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

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

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

Component 2: Training and tools for activities conducted under Article 13
Corresponding Outcome: Organizations and individuals have the necessary training and tools to conduct MRV activities

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

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

Efficiency Strategy, the Strategy on Renewable Energy Sources, the Program for the Implementation of the Energy Strategy, the Energy Efficiency Action Plan, the Action Plan on Renewable Energy Sources, and the Transport Sector Strategy. The preliminary arrangements are as follows:

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

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

Output 2.2: Training program for transparency activities operationalized

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

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

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

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

Activities:
- Provide two training sessions for gender stakeholders on climate change and climate finance and vice versa in coordination with Component 2.2
- Develop and conduct a briefing on gender issues for the NCCC in coordination with Component 2.2
- Develop and deliver training modules for key stakeholders (State Statistical Office, Ministry of Economy, Ministry of Agriculture) on gender issues in coordination with Component 2.2
- Develop a gender module for climate finance readiness training that can also be delivered as a stand-alone seminar
- Develop and implement a plan to disseminate research and training modules throughout Southeastern Europe (a process that can utilize the regional network of climate change OFPs and gender specialists) and through the Global Support Programme and the Global Coordination Platform as appropriate

Component 3: Design and implementation of a sustainable domestic MRV system
Corresponding outcome: Arrangements for data collection, analysis, and reporting shift from a project-based cycle to a continuous process.

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

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

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

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

Activities:
• Identify linkages between data collected under transparency-related activities and the national data-collection and data-sharing process to strengthen disaster risk-related information collection, production and dissemination,
• Make the relevant improvements/adjustments where needed, and harmonize climate indicators to improve the quality of the data collected and increase the efficiency of data collection.
• Develop recommendations on MRV for the long-term strategy developed under Output 2.3

Output 3.3: MRV system utilized for NDC tracking and reporting

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

Output 3.4: Gender-sensitive measurement and reporting established

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

Incremental/additional cost reasoning and expected contributions to the baseline

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

Global Benefits

This project will contribute to the improvement of local and global environmental conditions through enhancing transparency related to GHG emissions, impacts of climate change, and mitigation and adaptation actions in the country.

Strengthened MRV will allow the government to better assess investments in mitigation and adaptation measures, and may result in more efficient expenditures on climate-related activities, which in turn could increase reductions in GHG emissions. Improved MRV will also allow the government to compare the relative costs and benefits of mitigation and adaptation measures, and it may highlight cost-effective, high-impact adaptation measures.

Innovation, sustainability, and potential for scaling up

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

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

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

2. Stakeholders. Will project design include the participation of relevant stakeholders from civil society organizations (yes ☒ /no☐) and indigenous peoples (yes ☐ /no☒)? If yes, identify key stakeholders and briefly describe how they will be engaged in project preparation.

The proposed project approach and activities are the result of an ongoing dialogue with stakeholders. MOEPP, the implementing partner for the project, has discussed its institutional needs with regards to transparency activities, and the proposal incorporates these discussions. Other sectoral ministries, the executive branch of government, academia, and civil society organizations have been consulted in the context of their participation in the National Climate Change Committee (NCCC), which has provided input and feedback on national reports to the UNFCCC such as the National Communications and the BURs, including the SBUR findings and recommendations regarding MRV. An overview of relevant stakeholders with their current responsibilities and proposed project roles is provided in the table below.

Stakeholder	Responsibility	Project Role
MOEPP	• Key governmental body responsible for coordinating implementation of the provisions of the UNFCCC and related agreements • Key governmental body responsible for development of climate change policies and strengthening the institutional cooperation in the area of climate change • Coordinates the National Climate Change Committee • Responsible for reporting progress in climate change-related progress • National Focal Point to the UNFCCC is the State Advisor on Climate Change in the MoEPP	MOEPP will serve as the implementing partner for the project and MOEPP will be involved directly in the design of the proposed MRV Unit within the Ministry under Component 1.
NCCC	• Established by the Government, consisting of representatives of all relevant stakeholders: government bodies, academia, private sector and civil society • The NCCC is a participatory platform aimed at providing high- level support and guidance for overall climate change policies in the country	The NCCC will serve as the project steering committee.
Ministry of Economy	• Key governmental body responsible for development of energy- related policies • Implements many of the policies, activities and projects that directly and indirectly impact climate change mitigation in the energy sector • Key governmental body responsible for reporting to the Energy Community and for reporting on SDGs	The Ministry will be represented on the NCCC and will participate in capacity strengthening, training and communication activities in Components 1 and 2. It will also provide important inputs to the pilot long-term, low GHG emission strategy under Component 2.3.
Other Ministries	• The Ministry for Transport and Communications is the governmental body responsible for transport policy and maintains the national vehicale registry • The Ministry of Agriculture, Forestry, and Water Economy is a key partner and beneficiary in agriculture (including irrigation), forestry, fisheries, and livestock. • The Ministry of Labour and Social Policy is responsible for gender issues and jobs-related issues	These ministries (and others) will be represented on the NCCC and will participate in all project components, through training, sectoral analyses, and the tracking system.

The State Statistical Office (SSO)	• Key governmental body responsible for collecting, processing, and disseminating data about the demographic, social, and economic situation in the country. They also provide statistical data to international organizations.	The SSO will be represented on the NCCC and will work closely with the project team on data collection and reporting issues related to the tracking system and on gender-disaggregated statistics
Academia	• Primary source of research on climate change issues and other key sectoral issues (energy, agriculture) and cross-cutting issues (gender) • Channel for providing country-specific climate change research to the international research community via conferences and publications	Representatives of the research and teaching community serve on the NCCC, and experts will form an important consultative group for the national networks of practitioners established under Component 1.3.
Civil Society	• Source of training capacity • Experience with gender issues • Networks in rural areas	Civil society organizations are represented on the NCCC. They will contribute to national networks of practitioners (Component 1.3), gender-related analysis and training , and the dissemination of project results throughout the country.
European Union	• Key source of legislative and policy support for climate change action, particularly future climate legislation • Source of financing for mitigation activities through the IPA-2 funding window • Source of co-financing for project activities	The EU delegation and any relevant offices of the European Commission will be consulted regarding their current and planned activities in environmental information systems and climate change in order to maximize coordination on climate change legislation and training and to avoid the duplication of activities and information systems (see Section 5 for additional information).
Donor Community	• Bilateral donors form a significant source of support for climate change-related capacity strengthening activities, including support for MRV systems at the municipal level • Multilateral donors support capacity strengthening and investments in climate change mitigation and adaptation. Specifically, the GEF has provided financial support for reporting to the UNFCCC and associated capacity strengthening • The donor community represents a current and future source of climate finance	The project will liaise with the donor community on a regular basis throughout implementation and will work with donors on effective in-country reporting of financial support received for climate change and on climate finance readiness and project pipelines and screening.

3. Gender Equality and Women's Empowerment. Are issues on gender equality and women's empowerment taken into account? (yes ☒ /no☐). If yes, briefly describe how it will be mainstreamed into project preparation (e.g. gender analysis), taking into account the differences, needs, roles and priorities of women and men.

In terms of project preparation, the project draws directly upon the feedback and experiences gathered from the UNDP sub-regional workshop in Skopje on Gender and MRV, which was held in December 2017. The workshop, which was supported by the UNDP/UNEP GSP, focused on putting the Gender Responsive National Communications Toolkit into practice. The target audience for the training consisted of experts overseeing country reports, government gender experts, and officials from government agencies serving as UNFCCC focal points. The project preparation has also ensured that the project approach and activities are consistent with the GEF Gender Equality Action Plan.

As the 2015 UNDP Gender Responsive National Communications Toolkit notes, "Integrating gender into climate change reporting is a particular challenge because many environmental specialists may not be familiar with gender analysis approaches and gender specialists may not have experience in climate change" (UNDP 2015: 53). For this reason, the project will address gender directly through a specific activities as part of the Outputs 1.4, 2.4 and 3.4.

The country plans to begin to implement a gender/climate action plan in 2018 that will outline concrete steps and responsibilities related to integrating gender considerations into subsequent reporting to the UNFCCC. The proposed project will work closely with the government to ensure that the project activities can enhance the implementation of this action plan.

4 Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable).

Risk	Risk Level	Approach to Risk Mitigation
Risk 1 (Organizational): The institutional capacity created by the project would not be sustainable beyond the end of the project implementation period due to lack of financial support.	Moderate	Parallel activities supported under IPA-II funding will support legislation that mandates reporting capacity. Furthermore, specific project activities will address post-project resource mobilization, and they will present clear roadmaps for data archiving and storage.
Risk 2 (Political): Transparency activities would not be considered sufficiently important by the Macedonian Government to ensure adequate participation in and support for project activities; resources and attention would be diverted to other issues (type of risk: political).	Low/ Moderate	The project is explicitly designed to link transparency activities to high-level political priorities in the country such as EU accession. This linkage will ensure that the project maintains high-level support. In addition, awareness-raising activities for target groups such as parliamentarians and journalists will increase the constituency supporting action in these areas.
Risk 3 (Operational): A lack of horizontal coordination across ministries and agencies could hinder data collection and analysis.	Low/ Moderate	First, the project board will ensure regular communication across government agencies. Second, parallel legislation supported under IPA-II will mandata data reporting from sectoral ministries and other relevant bodies. Third, Component 2 of the project will strengthen capacity of offices within key ministries and agencies to ensure that they are able to provide the necessary data in a given format and time frame.
Risk 4 (Operational): The cross-sectoral MRV system might become obsolete or ineffective if transparency requirements change over time.	Low	The MRV system will be developed using open source software so that it may be maintained and updated as needed by any competent actor. Specific project activities will address system documentation, archiving, and storage.

5. Coordination. Outline the coordination with other relevant GEF-financed and other initiatives.

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

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

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

Communication will also be maintained with bilateral donors, including Austria, Germany, and Norway.

6. Consistency with National Priorities. Is the project consistent with the National strategies and plans or reports and assessements under relevant conventions? (yes ☒ /no☐). If yes, which ones and how: NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The proposed project is consistent with all recent climate change reporting to the UNFCCC.

The TNC specifically recommends providing continuity in the capacity for planning, assessments and preparation of the GHG inventory for the country based on the capacity that has been built to date (TNC 2014: 159). The FBUR and SBUR both recommend developing a clear system for MRV in the country in MOEPP (FBUR 2015: 78-82; SBUR 2017 Chapter 7). The SBUR also mentions the need to monitor adaptation (SBUR Chapter 7), classify and monitor resources received (Chapter 5), and shift from a project-based to continuous system (Chapter 7).

The project is also consistent with the national priorities regarding EU accession (see section II.5 above), including the Pre-Accession Economic Program, and with sectoral strategies that have informed the INDC, such as the Energy Strategy, the Energy Efficiency Strategy, the Strategy on Renewable Energy Sources, the Program for the Implementation of the Energy Strategy, the Energy Efficiency Action Plan, the Action Plan on Renewable Energy Sources, and the Transport Sector Strategy.

7. Knowledge Management. Outline the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives, to assess and document in a user-friendly form, and share these experiences and expertise with relevant stakeholders.

Project preparation activities will define a general knowledge management strategy for the project with explicit budgetary support. This strategy will address several types of knowledge management: 1) How to develop and disseminate project training materials and toolkits to target audiences in the country most effectively; 2) How to use existing information sharing networks maintained by UNDP, the GEF, the UNFCCC, and other organizations to share lessons learned; and 3) How to communicate most effectively with projects in other countries that have a similar focus. The strategy will also determine how to disseminate project information effectively at key international events, such as COPs.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT[12] OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

(Please attach the Operational Focal Point endorsement letter(s) with this template. For SGP, use this SGP OFP endorsement letter).

NAME	POSITION	MINISTRY	DATE *(MM/dd/yyyy)*
Vesna Indova Tochko	GEF Operational Focal Point	**MOEPP (MINISTRY OF ENVIRONMENT AND PHYSICAL PLANNING)**	**03/06/2018**

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies[13] and procedures and meets the GEF criteria for project identification and preparation under GEF-6.

Agency Coordinator, Agency name	**Signature**	**Date** *(MM/dd/yyyy)*	**Project Contact Person**	**Telephone**	**Email**
Adriana Dinu, UNDP-GEF, Executive Coordinator		Submission: 03/07/2018 Re-Submission: 05/11/2018	Damiano Borgogno	+90-850-288-2629	damiano.borgogno@undp.org

C. ADDITIONAL GEF PROJECT AGENCY CERTIFICATION (APPLICABLE ONLY TO NEWLY ACCREDITED GEF PROJECT AGENCIES)

For newly accredited GEF Project Agencies, please download and fill up the required **GEF Project Agency Certification of Ceiling Information Template** to be attached as an annex to the PIF.

[12] For regional and/or global projects in which participating countries are identified, OFP endorsement letters from these countries are required even though there may not be a STAR allocation associated with the project.

[13] GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT