



GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: Medium-sized Project
 TYPE OF TRUST FUND: GEF Trust Fund

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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 Macedonia	GEF Project ID: ¹	6223
GEF Agency(ies):	UNDP (select) (select)	GEF Agency Project ID:	10042
Other Executing Partner(s):	Ministry of Environment and Physical Planning	Submission Date:	12 December 2018
GEF Focal Area (s):	Climate Change	Project Duration (Months)	36
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP <input type="checkbox"/>	
Name of Parent Program		Agency Fee (\$)	125,400

A. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
Climate Change	CBIT	CBIT	1,320,000	1,410,000
Total project costs			1,320,000	1,410,000

B. 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/ Programs	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed 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	CBIT	328,000	338,000

¹ Project ID number remains the same as the assigned PIF number.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#).

³ Financing type can be either investment or technical assistance.

			1.3 National networks established of staff responsible for MRV within the key relevant government organizations, as well as local experts. 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 transparency 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 (including Direct Project Services Cost: 20,000)				CBIT	120,000	100,000
Total project costs					1,320,000	1,410,000

⁴ For GEF Project Financing up to \$2 million, PMC could be up to 10% 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.

C. CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Please include evidence for co-financing for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (\$)
Others	European Commission	In-kind	1,400,000 ⁵
Recipient Government	Ministry of Environment and Physical Planning	In-kind	10,000
Total Co-financing			1,410,000

D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES) AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee ^{a)} (b) ²	Total (c)=a+b
UNDP	GEFTF	FYR Macedonia	CC	CBIT	1,320,000	125,400	1,445,400
Total Grant Resources					1,320,000	125,400	1,445,400

E. PROJECT'S TARGET CONTRIBUTIONS TO GEF 7 CORE INDICATORS

Provide the expected project targets as appropriate.

Project Core Indicators		Expected at CEO Endorsement
1	Terrestrial protected areas created or under improved management for conservation and sustainable use (Million Hectares)	
2	Marine protected areas created or under improved management for conservation and sustainable use (Million Hectares)	
3	Area of land restored (Million Hectares)	
4	Area of landscapes under improved practices (excluding protected areas)(Million Hectares)	
5	Area of marine habitat under improved practices (excluding protected areas)(Million Hectares)	
	Total area under improved management (Million Hectares)	
6	Greenhouse Gas Emissions Mitigated (Million metric tons of CO ₂ e)	
7	Number of shared water ecosystems (fresh or marine) under new or improved cooperative management	
8	Globally over-exploited marine fisheries moved to more sustainable levels (thousand metric tons)(Percent of fisheries, by volume)	
9	Reduction , disposal/destruction, phase out, elimination and avoidance of chemicals of global concern and their waste in the environment and in processes, materials and products (thousand metric tons of toxic chemicals reduced)	

⁵ Original currency 1,150,000 EUR converted to USD an per UN Official Exchange Rate for May 2018 (1\$ = 0.828 EUR)

10	Reduction, avoidance of emissions of POPs to air from point and non-point sources (grams of toxic equivalent gTEQ)	
11	Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment	120 project beneficiaries, 60 of whom are women

F. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN WITH THE ORIGINAL PIF⁶

A.1. *Project Description*. Elaborate on: 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 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, and [co-financing](#); 5) [global environmental benefits](#) (GEFTF) and/or [adaptation benefits](#) (LDCF/SCCF); and 6) innovativeness, sustainability and potential for scaling up.

A.1.1. The global environmental and/or adaptation problems, root causes and barriers that need to be addressed have remained consistent with those in the PIF. The stakeholder consultation conducted during the project preparation period re-affirmed the barriers identified in the PIF.

A.1.2: The baseline scenario has not changed during the project preparation period.

The 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; and 3) Arrangements for data collection, analysis, and reporting shift from a project-based cycle to a continuous process.

The following text describes the outputs and activities associated with the above outcomes. A detailed description of outputs and activities is provided in Section III. of the accompanying UNDP project document.

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:

⁶ For questions A.1 –A.7 in Part II, if there are no changes since PIF , no need to respond, please enter “NA” after the respective question.

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

Activities:

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

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

Activities:

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

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

Activities:

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

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

Activities:

- Work with Implementing Partner to identify a national Climate Change and Gender Focal Point
- Conduct a pilot sectoral climate and gender analysis (e.g. renewable energy) and provide a briefing for policy-makers on the results.

- Provide support to the Climate Change and Gender Focal Point in screening climate finance projects
- Compile an expert roster of individuals and organizations that can provide expertise on gender issues in coordination with Component 1.3

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

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

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

This component will also use a learning-by-doing approach to pilot the process of mainstreaming MRV into sectoral policies and legislation into the key sectors under the (I)NDC: energy supply, buildings, and transport. Examples of country policies and legislation that will be considered include the Energy Strategy, the Energy Efficiency Strategy, the Strategy on Renewable Energy Sources, the Program for the Implementation of the Energy Strategy, the Energy Efficiency Action Plan, the Action Plan on Renewable Energy Sources, the Transport Sector Strategy and the National Strategy on Equality between Men and Women. The preliminary arrangements are as follows:

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

Activities:

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

Output 2.2: Training program for transparency activities operationalized

Activities:

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

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

Activities:

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

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

Activities:

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

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

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

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

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

Activities:

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

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

Activities:

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

Output 3.3: MRV system utilized for NDC tracking and reporting

Activities:

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

Output 3.4: Gender-sensitive measurement and reporting established

Activities:

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

A.1.4. The incremental cost reasoning of the project has not changed from the PIF stage. In-kind co-financing now totals USD 1,410,000, and Section V. of the accompanying UNDP project document provides a summary of project co-financing by donor, outcome, and type of contribution.

A.1.5. This project enhance implementation of the Macedonian NDC as well as increase climate action in the country as per its commitments related to the UNFCCC and Paris Agreements. The project will also 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 optimize reductions in GHG emissions. Improved MRV will also allow the government to compare the relative costs and benefits of mitigation and adaptation measures so that it will be able to highlight and support cost-effective, high-impact adaptation measures.

A.1.6 The proposed project is innovative in a number of ways. At the country level, the work of the new MRV unit to streamline reporting for multiple commitments will represent a significant step forward for the country. In addition, the budget analysis in order to determine a national baseline on climate spending will be a first for the country, and it will provide an example that will be highly relevant to other countries in the region. The project will also develop MRV methodologies for adaptation, which can contribute to international developments in this area.

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.

A.2. *Child Project?* If this is a child project under a program, describe how the components contribute to the overall program impact. NA

A.3. *Stakeholders.* Identify key stakeholders and elaborate on how the key stakeholders engagement is incorporated in the preparation and implementation of the project. Do they include civil society organizations (yes /no)? and indigenous peoples (yes /no)?

The project preparation included a stakeholder consultation meeting, which was held on August 31, 2018 in Skopje, and a request for written comments on the project design and activities. Both government and non-governmental organizations attended the consultation and provided written feedback. Stakeholders voiced support for the project approach and activities, and no objections to the project were raised. Information on participants in the consultation and organizations providing feedback is provided in Annex J of the accompanying UNDP project document.

The following table describes the project stakeholders, their responsibilities, and their role in project implementation.

Table A.3.1: Stakeholder Overview

Stakeholder	Responsibility	Project Role
MOEPP	<ul style="list-style-type: none"> Key governmental body responsible for coordinating implementation of the provisions of the UNFCCC and related agreements Key governmental body responsible for development of climate change policies and strengthening the institutional cooperation in the area of climate change Coordinates the National Climate Change Committee Responsible for reporting progress in climate change-related progress National Focal Point to the UNFCCC is the State Advisor on Climate Change in the MoEPP 	MOEPP will serve as the implementing partner for the project and MOEPP will be involved directly in the design of the proposed MRV Unit within the Ministry under Component 1.
National Climate Change Committee (NCCC)	<ul style="list-style-type: none"> Established by the Government, consisting of representatives of all relevant stakeholders: government bodies, academia, private sector and civil society The NCCC is a participatory platform aimed at providing high-level support and guidance for overall climate change policies in the country 	The NCCC will serve as the project steering committee.
Ministry of Economy	<ul style="list-style-type: none"> Key governmental body responsible for development of energy-related policies 	The Ministry will be represented on the NCCC and will participate in capacity

	<ul style="list-style-type: none"> • 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 	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	<ul style="list-style-type: none"> • 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)	<ul style="list-style-type: none"> • Key governmental body responsible for collecting, processing, and disseminating data about the demographic, social, and economic situation in the country. They also provide statistical data to international organizations. 	The SSO will be represented on the NCCC and will work closely with the project team on data collection and reporting issues related to the tracking system and on gender-disaggregated statistics
Academia	<ul style="list-style-type: none"> • Primary source of research on climate change issues and other key sectoral issues (energy, agriculture) and cross-cutting issues (gender) • Channel for providing country-specific climate change research to the international research community via conferences and publications 	Representatives of the research and teaching community serve on the NCCC, and experts will form an important consultative group for the national networks of practitioners established under Component 1.3.
Civil Society	<ul style="list-style-type: none"> • Source of training capacity • Experience with gender issues • Experience with climate change issues • Networks in rural areas 	Civil society organizations are represented on the NCCC. They will contribute to national networks of practitioners (Component 1.3), gender-related analysis and training , and the dissemination of project results throughout the country.
European Union	<ul style="list-style-type: none"> • Key source of legislative and policy support for climate change action, particularly future climate legislation • Source of financing for mitigation activities through the IPA-2 funding window • Source of co-financing for project activities • Source of support for regional low-carbon planning work 	The EU delegation and any relevant offices of the European Commission will be consulted regarding their current and planned activities in environmental information systems and climate change in order to maximize coordination on climate change legislation and training and to avoid the duplication of activities and information systems (see Section A.6 for additional information).
Donor Community	<ul style="list-style-type: none"> • Bilateral donors form a significant source of support for climate change-related capacity strengthening activities, including support for MRV systems at the municipal level • Multilateral donors support capacity strengthening and investments in climate change mitigation and adaptation. Specifically, the GEF has provided financial support for reporting to the UNFCCC and associated capacity strengthening • The donor community represents a current and future source of climate finance 	The project will liaise with the donor community on a regular basis throughout implementation and will work with donors on effective in-country reporting of financial support received for climate change and on climate finance readiness and project pipelines and screening.

A.4. *Gender Equality and Women's Empowerment.* Elaborate on how gender equality and women's empowerment issues are mainstreamed into the project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men. In addition, 1) did the project conduct a gender analysis during project preparation (yes /no)?; 2) did the project incorporate a gender responsive project results framework, including sex-disaggregated indicators (yes /no)?; and 3) what is the share of women and men direct beneficiaries (approximately women 50%, men 50%⁷)?

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

In 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 specific activities under Outputs 1.4, 2.4 and 3.4.

The project and its related initiatives will integrate gender issues into project design, implementation, and M&E in the following ways:

- Ensure women's representation and active participation in capacity strengthening activities and in the capacity platform
- Ensure that tools and trainings are available and utilized by women and men that support the consideration of gender issues in MRV and sectoral policies and budgeting
- Ensure access to high-quality data and good practice in gender-sensitive data collection and analysis for MRV and the NDC tracking framework
- Increase understanding of how project benefits may vary by gender
- Raise awareness regarding gender mainstreaming in transparency frameworks

Specific actions and indicators to support this integration are summarized by project component in the *Gender Action Plan* provided in Annex H of the accompanying UNDP project document.

A.5 *Risk.* Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation (table format acceptable):

The following table summarizes indicated project-related risks.

⁷ The ratio of men to women in the country is approximately 99:100.

Table A.5.1: Project Risks and Risk Mitigation Approaches

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.

A.6. *Institutional Arrangement and Coordination.* Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

The project will be implemented by the Ministry of Environment and Physical Planning (MOEPP) under the NIM modality, with UNDP support. This also means that the Ministry will provide office space for the project and its personel. MOEPP is also reposnsible for coordination of implementation of other climate change-related projects, including the UNDP-GEF Enabling Activity to support the compilation of the Third National Communication and the Second Biennial Update Report and projects on climate-related monitoring and reporting funded by the EU IPA funds.

A detailed description of roles and responsibilities of project partners and management is provided in Section VI. of the accompanying UNDP project document and in its annexes. Table A.6.1 provides an overview of coordination with other initiatives and their relevance to the project.

Table A.6.1.: Coordination with Other Initiatives

Project/Initiative	Relevance to Project	Type of coordination
UNDP-GEF Enabling Activity “Macedonia’s Fourth National Communication and Third Biennial Update Report” (GEF ID 10024)	This project, which is currently under implementation, includes many activities relevant to reporting on climate change action and on support received. In particular, work to strengthen GHG inventories and reporting on mitigation and adaptation will benefit the CBIT project.	The projects will share a combined project implementation unit located at MOEPP with the new MRV unit to ensure optimum coordination. They will coordinate on all activities related to MRV. 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.
GEF CBIT Global Coordination Platform (GEF ID 9675)	The objective of this project is to establish a global CBIT coordination platform to support the implementation of the Paris Agreement	Information from this project will be uploaded into the GEF-CBIT Global Coordination Platform database to ensure effective tracking and allow for common reporting.
GEF Global Support Programme (GSP) for the Preparation of NCs and BURs for non-Annex I Parties under the UNFCCC (GEF ID 5141)	The objective of this project is to improve the quality of non-Annex I Parties' National Communications (NCs) and Biennial Update Reports (BURs), so they are more widely used for national development planning, climate negotiations, and for funding low emission, climate resilient development projects, while they are also submitted to the UNFCCC in a timely manner. The project will also assist countries initiate or intensify domestic preparations for their intended nationally determined contributions.	This project will coordinate with the GSP on its support for sub-regional peer learning and networking, and it will utilize GSP guidance on gender mainstreaming in UNFCCC reporting where applicable.
EU Country Support	EU IPA-2 programming includes activities related to climate change policy and legislation. Its capacity strengthening activities under the auspices of the Energy and Climate Regional Accession Network (ECRAN) and under the Joint Research Centre are also directly relevant to the project.	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.
FAO-GCF “Support for the management of an effective national	This project, is expected to support the development of a National Adaptation Plan (NAP), including recommendations on	The project will maintain regular communication with the program.

coordinative mechanism regarding the Green Climate Fund”	monitoring and evaluation of the plan among other activities.	
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In addition, the project will maintain communication with relevant bilateral donors, including Austria, Germany, and Norway.

Additional Information not well elaborated at PIF Stage:

A.7 Benefits. Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCE/SCCF)?

This project contributes to the country’s commitments under the UNFCCC to enable it to address climate change considerations (mitigation of GHG emissions and reduction of vulnerability to climate change). project activities contribute directly to increasing the extent to which state institutions base their actions on the principals of sustainable development and increasing the capacities of public actors to implement, monitor, and evaluate policies related to environment, climate change and nature protection. The domestic MRV system to be developed under Component 3 is designed to avoid duplication and result in an efficient system that will reduce time burdens and costs to state institutions in data collection and analysis.

The project will also assist the country in achieving the SDG 13 by supporting the integration of climate change measures into national policies, strategies and planning; building knowledge and improving education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning, and promotion of mechanisms for raising capacity for effective climate change-related planning and management in the country. The project will also contribute to archeiving SDG5 by supporting empowerment of women in decision-making, land ownership and through gender-sensitive budgeting.

A.8 Knowledge Management. Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.

As a project that is designed to strengthen data collection and reporting, knowledge management is an integral part of the project’s approach and activities. The project will use working groups and the NCCC to share project findings at the technical level and policy level, respectively. In addition, the project will use existing information-sharing networks maintained by UNDP, the GEF, the UNFCCC, and other organizations. For example, the project will share information and training resources with other parties to the Paris Agreement through the GEF-supported Global Support Programme (GSP). The GSP facilitates the collaboration and exchange of knowledge and experience among the Western Balkan countries in a sub-regional peer network, and it supporteda regional workshop “Supporting the integration of gender considerations into MRV/transparency processes in the Western Balkan Countries” in Skopje in December 2017. Representatives from all Western Balkan countries, as well as Lebanon, and representatives from the GSP, UNDP and UNFCCC participated at this event, which was the first of a series of similar workshops that are planned to be organized during the implementation of the National Communications and BURs. At the second meeting, which took place in November 2018, the country representatives from the Western Balkans presented their national roadmaps/action plans and shared lessons learnt. In addition, the project will share its project reports, methodological tools, and lessons learned with the CBIT Global Coordination Platform in order to reach the widest audience among parties to the Paris Agreement.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

B.1 Consistency with National Priorities. Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, etc.:

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

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 accession to the European Union, 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.

The GEF Operational Focal Point for the country, Ms. Vesna Indova Tochko, has endorsed the project with a letter signed on January 29, 2018.

C. DESCRIBE THE BUDGETED M & E PLAN:

The project will be monitored through the following M&E activities. Specific indicators for monitoring performance are provided in the Project Resources Framework in Section IV. of the accompanying UNDP project document. The project will incorporate additional tracking indicators as necessary based on guidance from the GEF Secretariat. The budget for M&E activities is presented at the end of this section.

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, the UNDP Country Office (CO) and – where appropriate/feasible – regional technical policy and programme advisors from the Regional Coordination Unit (RCU) as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first annual work plan.

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

- Assist all partners to fully understand and take issues ownership of the project.
- Detail the roles, support services and complementary responsibilities of the UNDP CO and UNDP 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.

- Review the Terms of Reference for project staff as needed.
- 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, including adding of and agreement on the mid-term targets of each outcome in the project's M&E plan and re-check assumptions and risks.
- Provide a detailed overview of reporting and M&E requirements. The M&E work plan and budget should be agreed and scheduled.
- Discuss financial reporting procedures and obligations, and arrangements for annual audit.
- 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. The inception workshop will also provide an opportunity to cross-check all project indicators to ensure consistency with current GEF guidelines.

Quarterly

Progress made shall be monitored in the UNDP Executive Snapshot.

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.

Based on the information recorded in Atlas, Project Progress Reports (PPRs) 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.

Annually

Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and, in particular, for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

Periodic Monitoring Through Site Visits

The UNDP Country Office (CO) and the RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first-hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/ will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

End of Project

An independent Terminal Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned. The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response, which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

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.

Table C.1 provides an overview of the project budget for monitoring and evaluation.

Table C.1: Project Budget for M&E Activities

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ⁸ (US\$)		Time frame
		GEF grant	Co-financing	
Inception Workshop	UNDP Country Office	USD 3,000	None	Within two months of project document signature
Inception Report	Project Manager	None	None	Within one month of inception workshop
Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP	UNDP Country Office	None	None	Quarterly, annually
Risk management	Project Manager Country Office	None	None	Quarterly, annually
Monitoring of indicators in project results framework	Project Manager	None	None	Annually
GEF Project Implementation Report (PIR)	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
NIM Audit as per UNDP audit policies	UNDP Country Office	USD 10,000 (in total)	None	Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation	Project Manager	None	None	Annually
Monitoring of environmental and social risks, and corresponding	Project Manager	None	None	On-going

⁸ Excluding project team staff time and UNDP staff time and travel expenses.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ⁸ (US\$)		Time frame
		GEF grant	Co-financing	
management plans as relevant	UNDP CO			
Addressing environmental and social grievances	Project Manager UNDP Country Office <i>BPPS as needed</i>	None for time of project manager, and UNDP CO	None	Costs associated with missions, workshops, BPPS expertise etc. can be charged to the project budget.
Project Board meetings	Project Board UNDP Country Office Project Manager	6x500= USD 3,000	None	At minimum annually
Supervision missions	UNDP Country Office	None ⁹	None	Annually
Oversight missions	UNDP-GEF team	None ⁹	None	Troubleshooting as needed
Knowledge management	Project Manager	USD13,200 (1% of GEF grant) ¹⁰	None	On-going
GEF Secretariat learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF team	None	None	To be determined.
Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response	Project Manager and Team and IC/Evaluator	USD 20,000	None	At least three months before the end of the project
Project Terminal Report	Project manager and team; UNDP CO; Project Board	None ⁹	None	At least three months before the end of the project
TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses		USD 49,200	None	

⁹ The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

¹⁰ Covered under budget line items 1 and 2 under Section IX of the accompanying UNDP Project Document.

PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

A. GEF Agency(ies) certification

This request has been prepared in accordance with GEF policies¹¹ and procedures and meets the GEF criteria for CEO endorsement under GEF-6.

Agency Coordinator, Agency Name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Adriana Dinu Executive Coordinator, UNDP- GEF		11/26/2018	Damiano Borgogno	(+ 90) 850 288 2629	damiano.borgogno @undp.org

¹¹ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

The project results framework has been submitted in the accompanying UNDP Project Document and is located in Section IV. of that document.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Secretariat Comments on PIF	Agency Response
MGV, April 5, 2018: The project is mostly aligned with the CBIT Programming Directions. See comments below.	The revised PIF is fully aligned with the CBIT Programming Directions, and clarifications and changes have been made where necessary. See responses below.
<p>MGV, April 5, 2018: Yes. The FYR of Macedonia ratified the Paris Agreement on 9 January 2018. The project is consistent with its NDC, national communications and BURs, and the Law on Environment. The project also considers relevant legislation given its status as a candidate country for EU membership. Please clarify the following:</p> <p>a) We note that as of 5 March 2018, Macedonia submitted its SBUR to the UNFCCC (need to update reference made on p. 5). We also note that Macedonia has already submitted a request to the GEF to support the development of the BUR3 and 4NC. Further, there is only a brief mention of the International Consultation and Analysis process the country underwent with its FBUR. Please clarify and expand on relevant information.</p> <p>b) Please also clarify the status of the "National System for an Inventory of GHG emissions" mentioned under legislative and regulatory framework.</p> <p>c) The National Plan for Climate Change is also briefly mentioned under legislative and regulatory framework. Please clarify the timeline and alignment with the NDC process.</p> <p>Please consider adding a few more details under Part 6, Consistency with National Priorities including the INDC</p>	<p>2 a) The reference to the SBUR has been updated.</p> <p>In addition, a description of the ICA process for the FBUR and the relevant findings is now included on page 8.</p> <p>2 b) The National System for an Inventory of GHG Emissions that is mentioned in the section of the proposal on the legal and regulatory framework for climate change refers to a system that will be enacted through the Law and Strategy on Climate Action. The development of the Law and Strategy on Climate Change is starting this year, and it is being funded by the European Union. The support from the EU will fund the drafting of the legislation, but it does not provide support for capacity development to manage the inventory system successfully, and it will not support transparency activities. Therefore, this proposal has requested complementary funding to support those activities. Additional information has now been added to the text on page 6 and under the discussion of project sustainability on page 14.</p> <p>2 c) The National Plan for Climate Change is embodied in Macedonia's (I)NDC. The Law on Environment stipulates that such a plan should be adopted. Additional information on national strategies and plans related to climate change, linkages, and their alignment with the NDC process is now included on page 6.</p> <p>2 d) More details on linkages with national priorities as stated in the (I)NDC have been added in Section II.6. on page 19 to include overall development priorities and sectoral priorities.</p>

<p>MGV, April 5, 2018: Please address comments below:</p> <p>a) There is very little in Section 1 about the impacts of climate change for Macedonia and associated drivers for action on mitigation and adaptation. Please add some relevant information.</p> <p>b) Sustainability in the project is addressed by activities focused on carrying out financing roadmaps for future support; however, it is not clear what would happen to the systems developed and capacities built with the project if there is no long-term political and institutional support. From the proposal, it is hard to understand what the domestic support is for the creation and continued budgetary support of the proposed new unit at MOEPP, national networks, training plans, etc.; although we believe it is likely there, especially given the EU accession process. Please make sure that this is more apparent throughout the document.</p>	<p>a) Information on the impacts of climate change for Macedonia and associated drivers for action on mitigation and adaptation have been added on page 5.</p> <p>b) The Government has already provided strong, long-term political support in the form of its intent to undertake more rigorous MRV requirements as an EU candidate country; this policy means that the country will essentially be a non-Annex I country that will assume Annex I reporting obligations.</p> <p>Additional information on current and projected EU and Government support is now provided on page 14 under the discussion of project sustainability.</p>
<p>MGV, April 5, 2018: A number of barriers are outlined. However, there is not enough information on the specifics of the baseline to fully assess the incremental reasoning of the project components. Please address comments below:</p> <p>a) Please include findings from participating in the ICA process for the FBUR (or make explicit reference to it when applicable).</p> <p>b) Please clarify the existing institutional arrangements and capacities that have enabled Macedonia to complete its 2 BURs and 3 National Communications to date. Please also discuss how it is envisioned that this project would coordinate with and enhance the project to support its NC and BUR. Also include specifics under Part 5, Coordination.</p> <p>c) Please elaborate on the existing capacities, tools and databases in the country to better understand the barriers</p>	<p>a) Findings from participation in the ICA process that have informed the design of the proposed project are provided on page 8.</p> <p>b) At present, MOEPP oversees the preparation of NCs and BURs, which have been implemented by Project Implementation Units funded by GEF support. While MOEPP has a Department of Climate Change, this Department is not currently staffed. MOEPP is currently undergoing systematization, and it is hoped that following a new functional analysis the ministry would have a fully-staffed Department (e.g. 4 persons).</p> <p>Overall institutional relations regarding the NC/BUR process and the CBIT process will be addressed in the Law and Strategy on Climate Action, which will be under preparation this year. On the level of project coordination, UNDP will implement both projects under a combined project implementation unit, and the unit will be located at MOEPP to ensure optimum coordination. This information has been added to Section II.5 on page 19.</p> <p>c) Additional information on existing capacities, tools, and databases in key sectors</p>

<p>identified such as lack of coordination and capacity to conduct transparency activities. Please elaborate with respect to priority sectors identified in the NDC, support received, as well as different parts of the MRV system, including inventories, activity data, emission factors, QA/QC, etc.</p> <p>d) Please clarify the relevance of barrier 4 on p. 7 to responding to the transparency requirements of the Paris Agreement under Article 13.</p>	<p>is now provided in Section II. on page 8. Barriers related to MRV under existing legislation are now discussed on page 6.</p> <p>d) Article 11, Paragraph 2 of the Paris Agreement clearly states that capacity-building activities should be “participatory, cross-cutting, and gender-responsive.”</p> <p>The proposed project approach to gender in MRV is analogous to its approach to MRV as a whole: to move from ad hoc project-based support to <i>sustained institutional capacity</i>. On-going compliance with Article 13.7 b) and 13.8 of the Paris Agreement in a way that fully integrates gender considerations will not be possible without sustained institutional capacity to mainstream gender.</p> <p>In this way, the proposed project activities in Component 4 will go <i>beyond</i> the requirements in the 2017 GEF Policy on Gender Equality regarding consideration of gender issues and women’s participation in project activities. In addition to these requirements, the project aims to forge sustained institutional capacity in this area and to develop a set of good practices that can be replicated in other countries.</p> <p>Additional explanatory text has been added under Component 4 on page 12.</p>
<p>MGV, April 5, 2018: Please see comments below:</p> <p>Component 1</p> <p>a) The incremental reasoning for creating a unit at MOEPP to oversee MRV issues is not yet clear. It is also not yet clear if this is something supported by the government and if there are plans to ensure its sustainability. The fact that there is an activity focused on finding the necessary funding to support it including possibly from external resources (which should not be necessary), is worrying. Please clarify the reasoning behind this output and how it can be implemented with domestic support building on existing capacities and arrangements.</p> <p>b) The first and second activities under Output 1.1 do not seem aligned with the rest of the activities and the outcome of the component. Please clarify if there are not better aligned with Component 2 or 3.</p> <p>Are there any existing analysis of climate change-related capacity at different agencies that may inform Output 1.2,</p>	<p>Component 1</p> <p>a) As stated in the response to 3 b), MOEPP has a compelling motivation to create an MRV unit: it currently oversees MRV commitments that will grow substantially in the next several years in scope and depth.</p> <p>In addition, the government has expressed its willingness to provide support to the project in subsequent years; while this support is not included in the table on co-financing (because it has not yet been secured through the budgetary / planning process), a footnote documenting this willingness has been added to Table C on page 3.</p> <p>b) As per this comment, the first and second activities under Output 1.1 have now been moved to Output 2.1 on page 11 and Output 3.3 on page 12, respectively.</p> <p>c) A relatively detailed analysis of climate change-related capacity at different agencies was undertaken during the compilation of the SBUR, which is provided in Section 5.2.1 (Technical and Capacity Needs at the National Level) of that document. Relevant findings are now included on page 8 of the</p>

<p>including through work on national communications? d) What will the training programs under Output 1.2. for capacity strengthening in sectoral ministries and other government agencies focus on? Who will it be for? e) Will Output 1.3 also consider the potential need for MOUs or other arrangements to enhance the communication and exchange of information, reporting, etc. between Ministries/agencies beyond the creation of networks of practitioners? Are these responsibilities already defined by legislation?</p>	<p>PIF and in the introductory description of Component 1.</p> <p>d) The training programs mentioned under Output 1.2 have been consolidated with the training proposed under Component 2. This training will focus on imparting the skills necessary to implement the MRV system that will be established under Component 3. 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 will be conducted at project inception. Text has been added in the description of Component on pages 9-10 of the PIF, and the description of the final activity under Output 1.2 on page 10 has been modified to reflect this change.</p> <p>The creation of networks of practitioners under Output 1.3 will complement the current legal/regulatory reform that is embodied in the Law and Strategy on Climate Action. The law and strategy will provide the legal and regulatory underpinning for the exchange of data, and the legal mandates under the Law and Strategy will be more enforceable than a series of MOUs. However, MOUs with relevant stakeholders regarding gender-disaggregated data are envisioned under work related to the sub-regional gender and MRV action plan. They are also envisioned in support of the MRV system where data provision is voluntary.</p>
<p>Component 2</p> <p>a) Please provide clarification on the baseline scenario for Output 2.1. given Macedonia's recent publication of its SBUR and 3NC. Have the necessary MRV tools and templates not yet been identified through the processes above, including the ICA? b) Further, this is the first time that AFOLU is mentioned as a priority. Enhancing reporting on AFOLU was not raised as a barrier. Please clarify. c) Also, adaptation measures are not yet identified in Macedonia's INDC and it is understood that Macedonia is barely initiating a funding request for support for the NAP process. Please clarify focus on adaptation. d) As presented, Output 2.3 is not aligned with the CBIT</p>	<p>Component 2</p> <p>a) While the ICA identified areas for improvement that were addressed in the SBUR and summarized in Table 4 of that document, there were other areas, the SBUR made recommendations on the improvements of the inventory and on reporting in multiple sectors: energy, IPPU, AFOLU, and waste.</p> <p>Text has been added on the energy sector recommendations on page 6 of the concept.</p> <p>The proposed toolkits would provide the MRV Unit and data providers with the information that they need to streamline MRV and to <i>coordinate</i> the country's MRV commitments. Because the country has limited staffing to undertake MRV for the EU, the Energy Community, and the UNFCCC, it is extremely important to avoid overlap and duplication in</p>

<p>Programming Directions. Please refine and clarify how this component would enhance the capacity of meeting the transparency requirements of Article 13 of the Paris Agreement and is aligned to the CBIT Programming Directions or remove.</p>	<p>MRV activities.</p> <ul style="list-style-type: none"> b) The barrier analysis does not mention AFOLU because it does not mention specific sectors per se. The institutional, organizational, and individual barriers to sustained and robust MRV are highly relevant to this sector. AFOLU has been identified by the inventory team of the SBUR as an area that requires support. c) At the moment, the country is initiating a NAP through the Readiness Program of the Green Climate Fund. It is expected that the NAP will be approved this year, and the project will coordinate with these efforts, particularly as they will inform inputs into the MRV system that will be designed in Component 3. Information regarding NAP-related activities is now included in the PIF on pages 6-7 and page 19. <p>The country's (I)NDC clearly states in its text that “the focus of the Macedonian INDC is put on climate change mitigation, that is, on policies and measures which lead to GHG emissions reduction. However, this does not suggest that adaptation is less important. Vulnerable sectors and climate change adaptation shall be subject to a more detailed analysis in the future, from the point of view of INDC needs” (INDC 2015: 2).</p> <ul style="list-style-type: none"> d) This activity has been refined and clarified to reflect GEF guidance on programming directions for CBIT (GEF/C.50/06, 2016) under “Activities to Strengthen National Institutions for Transparency-Related Activities in Line with National Priorities” (18.1), specifically under 18.1.a: Support on how to integrate knowledge from transparency initiatives into national policy and decision-making.” The output now focuses on mainstreaming transparency activities into sectoral policies and legislation in key (I)NDC areas, such as energy supply, buildings, and transport. This change is now reflected in revised text on page 11 and in the project activity matrix on page 2.
<p>Component 3</p> <ul style="list-style-type: none"> a) Output 3.1. Will the environmental information system only measure progress on transparency or also on mitigation actions, adaptation and support received? (the phrase "transparency-related" is confusing here) 	<p>Component 3</p> <ul style="list-style-type: none"> a) The environmental information system will measure progress on transparency and on mitigation actions, adaptation, and support received. The text on page 12 has been edited to clarify this point.

<p>b) Output 3.1. How will the MRV system for each of the mitigation measures align with the work carried out by the BURs, including the development of indicators?</p> <p>c) Output 3.2. Please clarify and resolve any overlapping activities between this output and Outputs 2.1 and 2.2.</p> <p>How will Output 3.3. coordinate with the work under the project to support the fourth NC and third BUR?</p>	<p>b) The indicators developed under country policies, legislation, and programming (e.g. the Law and Strategy on Climate Action and the proposed NAP) will directly inform the scope of the MRV system. In cases where indicator areas are identified without specific guidance, these indicators will be operationalized under Output 3.1. The proposed enabling activity to support the Fourth NC and the Third BUR will contribute both top-down and bottom-up indicators regarding country activities to address climate change. Therefore, the resulting MRV system will be able to quantify the impacts of technical assistance and climate-related investments.</p> <p>c) Clarification of the relationship between the outputs is now provided in the description of Component 3 provided on pages 11-12 of the PIF. Additional information on coordination between the proposed NC/BUR enabling activity and this project has been added under Section II.5 on page 19.</p>
<p>Component 4</p> <p>a) As presented, we do not believe this component is aligned with the CBIT Programming Directions or respond to capacity needs to respond to the transparency requirements under Article 13 of the Paris Agreement. Furthermore, we expect all projects to apply the GEF Policy on Gender Mainstreaming and respond to the GEF's Gender Equality Action Plan.</p>	<p>a) As explained in the response to Comment 4 d), the proposed project activities in Component 4 will go <i>beyond</i> the requirements in the 2017 GEF Policy on Gender Equality regarding consideration of gender issues and women's participation in project activities. In addition to these requirements, the project aims to forge sustained institutional capacity in this area and to develop a set of good practices that can be replicated in other countries.</p> <p>The proposed project approach to gender in MRV is analogous to its approach to MRV as a whole: to move from ad hoc, project-based support to <i>sustained institutional capacity</i>. On-going compliance with Article 13.7 b) and 13.8 of the Paris Agreement in a way that fully integrates gender considerations will not be possible without sustained institutional capacity to mainstream gender.</p> <p>Additional explanatory text has been added under Component 4 on page 12.</p>

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹²

Not applicable.

¹² If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Not applicable