



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: Establishing Transparency Framework for the Republic of Serbia			
Country(ies):	Republic of Serbia	GEF Project ID: ¹	10029
GEF Agency(ies):	UNDP	GEF Agency Project ID:	6211
Other Executing Partner(s):	Ministry of Environmental Protection of the Republic of Serbia	Submission Date:	17 Sep 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 (\$)	104,500

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	1,100,000	100,000
Total project costs			1,100,000	100,000

B. PROJECT DESCRIPTION SUMMARY

Project Objective:						
Project Components/ Programs	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
1. Strengthening national transparency capacities for tracking NDC progress from mitigation activities	TA	1.1. Improvement of institutional and technical capacities for transparency of mitigation in relevant sectors	1.1.1. Institutional platform for transparency strengthened and reorganized with the initial assessment of capacity building needs and gaps for transparency; 1.1.2. Assessment of the resources (financial and institutional) needed to implement NDC's specific mitigation policies and measures conducted, with a gender-sensitive approach; 1.1.3. System for the	CBIT	300,000	10,000

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.

			<p>assessment and tracking of the implementation of NDCs mitigation activities and their continuous improvement developed, with a gender- sensitive approach;</p> <p>1.1.4. NDCs tracking and reporting training programme for specific institutions prepared, with gender sensitive approach;</p> <p>1.1.5. Capacity building for competent institutions for development of projections that fulfil the criteria of transparency, accuracy, consistency, comparability and completeness conducted;</p> <p>1.1.6. E- tool for reporting on implementation and for planning and continuous improvement of the NDCs sectoral mitigation activities developed.</p>			
2. Strengthening national transparency capacities for NDC tracking and reporting on vulnerability and adaptation	TA	2.1. Improvement of institutional and technical capacities for transparency of adaptation in relevant sectors	<p>2.1.1. Sectoral vulnerability assessment of climate change impacts conducted;</p> <p>2.1.2. Analytical approach to costs and benefits of the implementation of NDCs adaptation measures, and financing possibilities prepared and conducted;</p> <p>2.1.3. E- tool established for reporting on implementation and for planning and continuous improvement of NDC adaptation measures</p>	CBIT	400,000	10,000

			<p>and on occurrences of floods, extreme temperatures, droughts, and other extreme weather, as well as on their consequences;</p> <p>2.1.4. NDC tracking and reporting training programme on climate change adaptation for specific institutions prepared and conducted, with gender sensitive approach;</p>			
3. Development of MRV system for NDC, including financing for institutions, local communities and businesses	TA	<p>3.1 Domestic MRV system for updating NDCs completed, including MRV to support stakeholders' engagement</p> <p>3.2 Improvement of the National GHG Inventories</p> <p>3.3 NDC capacity building through regional peer exchanges</p>	<p>3.1.1. Protocol for developing the technical inputs needed for updating future NDC on a continuous base elaborated;</p> <p>3.1.2. Needs and gaps of relevant institutions and local communities for reporting on received financial support vis- à-vis NDC identified;</p> <p>3.1.3. Guidelines for reporting financial, technology transfer and capacity-building support needed and received into the MRV system, prepared;</p> <p>3.1.4. E-tool for exchange of information and for reporting of local communities and business sector on activities relevant for achievement of NDC developed;</p> <p>3.2.1. Country-specific emission factor for CO₂ from thermo-power plants and industry sector, as well as for Agriculture, LULUCF, developed.</p> <p>3.2.2. Assessment of available information to include in GHG emission estimations</p>	CBIT	300,000	12,000

			other carbon pools included in the IPCC Guidelines but not estimated in the National GHG Inventory (soil organic carbon and litter) conducted and Inventory improved. 3.3.1. Regional peer exchanges on NDC planning and implementation and on the enhanced transparency framework conducted;			
			Subtotal		1,000,000	32,000
			Project Management Cost (PMC) ⁴ (including Direct Project Services Cost: 20,000)	CBIT	100,000	68,000
			Total project costs		1,100,000	100,000

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 (\$)
GEF Agency	UNDP Serbia	In-kind	68,000
Recipient Government	Ministry of Agriculture and Environmental Protection	In-kind	32,000
Total Co-financing			100,000

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	Republic of Serbia	CC	CBIT	1,100,000	104,500	1,204,500
Total Grant Resources							1,204,500

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

Project Core Indicators		Expected at CEO Endorsement
1	Terrestrial protected areas created or under improved management for conservation and sustainable use (Million Hectares)	

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.

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 CO2e)	
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)	
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	<i>150 direct beneficiaries, of whom 100 are women</i>

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 PIF⁵

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. In several areas, research and consultations conducted during the project preparation period identified opportunities for the project to strengthen capacity and address important gaps, such as support to municipalities in collecting sectoral data in support of the national GHG inventory and improvements in reporting in the forestry sector.

A.1.2. The baseline scenario has not changed significantly during the project preparation period. However, Section III of the accompanying project document now includes a more detailed assessment of capacity gaps and needs.

The proposed outcomes of the project are as follows:

- 1.1 Improvement of institutional and technical capacities for transparency of mitigation in relevant sectors

⁵ 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.

- 2.1 Improvement of institutional and technical capacities for transparency of adaptation in relevant sectors
- 3.1 Domestic MRV system for updating NDCs completed, including MRV to support stakeholders' engagement
- 3.2 Improvement of the National GHG Inventories.
- 3.3 NDC capacity building through regional peer exchanges

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

Component 1: Strengthening national transparency capacities for tracking NDC progress from mitigation activities

Outcome 1.1. Improvement of institutional and technical capacities for transparency of mitigation in relevant sectors

Output 1.1.1: Institutional platform for transparency strengthened and reorganized with the initial assessment of capacity building needs and gaps for transparency

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

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

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

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

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

This output will produce an impact assessment of sectoral strategies, policies and measures on the GHG emissions reductions. Project experts will develop and implement a methodological approach with a set of actions for MoEP to undertake a detailed assessment of the impacts of sectoral strategies, policies and measures on GHG emissions reductions. Sectoral institutions will also be asked to contribute to the assessments in their respective sectors, while reporting to the Ministry of Environmental Protection. The

results of the assessment will feed into the process of developing and improving the NDCs. Project experts will then produce a set of sector-based indicators that will be used by relevant institutions to monitor the level of implementation of future mitigation actions as they are identified and included in future versions of the NDC. It will also be used for reformulation of the mitigation actions and to identify opportunities for the increase of the ambition of mitigation measures under the NDC improvement process.

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

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

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

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

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

This output will result in a comprehensive, online tool that is easily accessible by all competent institutions. This tool will be integral part of the enhanced MRV system. It will be used the primary tool for formulating and tracking NDC implementation in Serbia, and it will have specified formats for communication among competent institutions. Its primary purpose will be to support the reporting and tracking progress on NDCs implementation in the context of enhanced transparency. However, the e-tool will also be used as an information/knowledge sharing platform and for capacity building purposes, as it will already contain information from competent institutions on their mitigation activities. The e-tool, along with the e-tools developed under Outputs 2.1.4 and 3.1.4, will form an integral part of the existing climate change web portal for Serbia (www.klimatskepromene.rs) and will be hosted and regularly updated and managed jointly by UNDP and MoEP (as per the existing modality). Access to this e-tool will be restricted to targeted stakeholders via username and password, while MoEP, as its administrator, will select the information that will be publicly accessible via the web portal – this will form one reporting framework (the framework for transparency of action) under the overall enhanced transparency framework and will be an integral part of the overall MRV system for Serbia.

Component 2: Strengthening national transparency capacities for NDC tracking and reporting on vulnerability and adaptation

Outcome 2.1. Improvement of institutional and technical capacities for transparency of adaptation in relevant sectors

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

Output 2.1.1. Sectoral vulnerability assessment of climate change impacts conducted

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

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

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

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

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

This output will result in the establishment of the enhanced transparency e- tool as a kind of database that will enable effective communication of adaptation actions and policies internally within the country and among stakeholders, as well as externally to the EU and UNFCCC. This tool will be integral part of the enhanced MRV system. Such MRV system will provide basis for synergistic approach in undertaking climate change adaptation actions in different sectors, with the participation of the citizens and relevant stakeholders. It will also contribute to formulation and tracking of implementation of Serbia's NDCs. In this regard, it will also contribute to building a synergistic approach planning and monitoring measures in the area of climate change adaptation and DRR.

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

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

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

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

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

Component 3: Development of MRV system for NDC, including financing for institutions, local communities and businesses

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

This component will result in the development of an overall MRV system for the NDC, including the development of the framework for transparency of support. It will also support the inclusion of institutions, businesses and local communities in NDC planning and implementation. It builds upon the outputs of the Component 1 and 2 and will result in the establishment of a comprehensive MRV system for tracking and improving Serbia's NDCs (a framework for transparency of action and a framework for transparency of support). It will also focus at identification of institutional and policy gaps regarding the reporting on received financial support and national contributions of relevance to climate change mitigation and adaptation activities. This component also includes outputs that will allow the country to enhance the quality, robustness and transparency of its National GHG Inventories, and the CBIT project will ensure further strengthening of national capacities of relevant Ministries on IPCC 2006 Guidelines and the improvement of activity data. Finally, this outcome will be focused on capacity building for NDC planning and improvement based on peer exchanges.

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

This output will produce technical guidelines for relevant stakeholders (MoEP and other sectoral institutions) with clear instructions on how to update the NDC. This protocol will be one of the essential elements of the future MRV system for enhanced transparency. This protocol will be used for the preparation of the first revision of the NDC, which is expected to be submitted to the UNFCCC Secretariat by the end of 2020, as well as for subsequent revisions.

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

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

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

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

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

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

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

Outcome 3.2. Improvement of the National GHG Inventories

Output 3.2.1. Country-specific emission factor for CO₂ from thermo-power plants and industry sector, as well as for Agriculture and LULUCF, developed.

As per the “Technical analysis of the first biennial update report of Serbia submitted on 28 March 2016”, the review team indicated that Serbia, as non-Annex I Party did not provide complete information on methodologies, activity data and emission factors used in the estimation of GHG emissions; Serbia reported that it encountered challenges in reporting additional information on methodologies, emission factors and activity data. Therefore, Serbia used the IPCC inventory software that implements Tier 1 methods, and applied default emission factors from the 2006 IPCC Guidelines. Serbia further indicated that information on methodologies, activity data, and emissions factors would be presented in future UNFCCC reporting processes. The UNFCCC Secretariat noted that including this information in the future reporting would significantly enhance transparency. Also, while Serbia used the 2006 IPCC Guidelines, it did not provide the equivalent LULUCF and sectoral background tables in its first BUR. The Summary Report of the Technical Analysis noted that including in this information in future

reporting for the sectoral level in the GHG inventory would further enhance transparency. The CBIT proposal will complement the work of NCs and BURs by providing country-specific emission factors wherever applicable and by analyzing the available data and their quality. Additionally, IPCC has developed an online emission factor database, therefore developed country-specific emission factor will be submitted to the IPCC emission factor database⁶ using well-defined EFDB criteria.

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

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

Outcome 3.3. NDC capacity building through regional peer exchanges

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

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

A.1.4. The incremental cost reasoning of the project has not changed from the PIF stage. Cash and in-kind co-financing now totals USD 100,000, and Section XI. of the accompanying UNDP project document provides a summary of project co-financing by donor, outcome, and type of contribution.

A.1.5. The CBIT project will significantly assist Serbia with fulfilling its commitments under the UNFCCC and Paris Agreement. The proposed project will further strengthen the capacity of national institutions in related research and analysis, eventually contributing to Serbia’s inputs to reducing the impacts of the global environmental threat of climate change. Analytical reports and studies produced under the project will be used by decision-makers for preparing and implementing guidelines and a policy action framework for achieving the government’s national and international commitments (NDCs in particular). The project will also assist Serbia to establish an enabling environment for robust MRV of both EU-related climate obligations and commitments arising out of the Paris Climate Agreement. In addition, the project will strengthen the capacity of Serbia to contribute to efforts to address other environment-related global challenges through the Sustainable Development Goals and the Sendai Framework for Action on Disaster Risk Reduction.

⁶ <http://www.ipcc-nggip.iges.or.jp/EFDB/main.php>

A.1.6 The project will use an innovative approach by assisting Serbia not only to comply with the UNFCCC and Paris Agreement requirements, but also to comply with the EU transparency framework and MRV system for the EU ETS. Furthermore, the MRV system that is to be established under the CBIT project will also incorporate an innovative approach that actively includes local governments. It will incorporate climate change mitigation actions introduced by the Climate Smart Urban Development (CSUD) project and build on the software solution for improved climate data management developed under that project.

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

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

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 following table describes the project stakeholders, their responsibilities and involvement in the preparation of the project, and their anticipated role in project implementation.

Table A.3.1: Stakeholder Overview

Stakeholders	Responsibility	Anticipated Project Role
Government Institutions		
Ministry of Environmental Protection (MoEP)	Responsible for the overall coordination of climate change policy creation and implementation; UNFCCC Focal Point; responsible for coordination of the transposition and implementation of the EU legislation in the field of environment and climate change. MoEP co-led the stakeholder consultation meeting for the project.	MoEP will serve as the Implementing Partner and coordinating body of the project MoEP will facilitate correlation and ensuring synergy between the CBIT project goals and activities of similar projects, such as the NCs/BURs preparation, development of the Climate Change Strategy and Action Plan, etc.

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

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

Academia	<p>Academia and the research community is responsible for provision of adequate information and data that are of relevance to climate change mitigation and adaptation planning, as well as for tracking progress in implementation of NDCs. Some of the relevant representatives of the research community are those from the University of Belgrade - Faculty of Physics with associated institute of Meteorology, Faculty of Agriculture, Institute of Nature Protection, Public Health Institute etc.</p> <p>The University of Belgrade Faculty of Physics participated in the stakeholder consultation.</p>	Academia and the research community will participate actively in the provision of data in all project components and in the inventory improvements that will be undertaken under Component 3.
Civil Society Organizations (CSOs)	<p>The role of CSOs is related to ensuring the link between the decision makers and citizens. Their particular role is to ensure citizen's participation in the process of creation of NDCs as well as in monitoring and reporting of the achieved targets. There are number of CSOs that are active in climate change advocacy in Serbia (such as Coalition 27 – a group of CSOs that are in particular associated to support Serbia's EU accession process under the negotiating chapter 27 – “Environment and Climate Change.”)</p> <p>The Standing Conference of Towns and Municipalities is an association that represents the interests of municipalities in Serbia and provides information, training, and project services to its members. It is the fifth largest association in Serbia by total revenue (as of 2013). The Standing Conference was consulted during the development of the project concept regarding training and awareness raising at the municipal level.</p> <p>The Worldwide Fund for Nature (WWF) works in Serbia primarily on freshwater ecosystems and protected areas but is also active in education for sustainable development.</p> <p>The RES Foundation is a CSO that, among other environmental topics, works on sustainable energy and climate change policy in Serbia.</p> <p>The Standing Conference, WWF, and the RES Foundation all participated in the project stakeholder consultation.</p>	<p>Based on the experience in producing the two national communications and biennial update report, it is understood that the most effective way to address climate change, is to ensure involvement of other stakeholders besides Governmental institutions (academic sector, private sector, NGO sector) in both design and implementation of the climate change related actions through focused discussion and working groups.</p> <p>CSOs will play an important part in the project by disseminating project findings and information regarding the NDC to the public and improve awareness of the SDGs.</p> <p>The project will maintain a two-way flow of information with CSOs and will seek opportunities to present information through their campaigns and events.</p>

Gender partnerships	<p>Under the Enabling Activity for the Second National Communication, the Republic of Serbia produced a study on Gender and Climate Change, which found that men and women faced differing degrees of vulnerability and differing impacts from the adverse effects of climate change.</p> <p>In Serbia, there is a National Coordination body for gender equality, Law on gender equality and a Strategy on gender equality for the period 2016-2020. All these documents provide solid basis for further work on making climate related data, policies and measures gender responsive and sensitive.</p> <p>Several gender- oriented organizations in the Republic of Serbia have added climate and gender issues into their action agenda. Also, under the UNDP-GEF project “Climate Smart Urban Development Challenge,” which is implemented by the Ministry of Environmental Protection with UNDP support, there is a strong gender dimension aimed at integrating gender considerations into climate-related actions and projects of local and national significance. UNWOMEN has been subcontracted to support implementation of this project component.</p> <p>The Republic Statistical Office also maintains gender-disaggregated statistics and produces a publication “Women and Men in the Republic of Serbia.” The Statistical Office participated in the project stakeholder consultation.</p>	<p>In cooperation with relevant national institutions, such as Ministry of Labour and Social Affairs, UNWOMEN, local CSOs, the CBIT project will apply principles of the “Gender responsive National Communications Toolkit” aimed at providing suggestions and guidance on integrating gender issues into the climate change reporting processes.</p> <p>All components of the project will focus on gender mainstreaming into other transparency elements as per the Paris Climate Agreement and related UNFCCC decisions.</p> <p>In close coordination with the Ministry of Labour and Social Affairs and the Ministry of Environmental Protection, the project will identify and engage priority sectors and will create sector-specific working groups on gender and climate. An MRV system for transparency for gender/CC in specific sectors is to be developed, and the project will adhere to the Gender Action Plan that is provided in Annex G of the UNDP project document.</p>
Other Donors		
The European Union	<p>Several projects funded by the European Union have initiated a baseline system for MRV under the EU Emissions Trading Directive at SEPA. The initial system was created through an EU Twinning project, “Establishment of a mechanism for the implementation of the MMR.” The project established responsibilities for private and public companies to monitor and report GHG emissions.</p> <p>The EU/IPA-funded project “Development of the Climate Change Strategy with an Action Plan” started in August 2016. The main project objective is identifying possibilities for emission reductions from agriculture, transport, waste and small power plants, according to the requirements of the EU Decision 406/2009/EC.</p> <p>In May 2018, the European Union together with MoEP convened a joint EU-Serbia Talanoa event in Belgrade.</p>	The CBIT project will exchange information with the EU delegation on a regular basis and will integrate the outputs of the Climate Change Strategy and Action Plan into project guidance and training materials and the configuration of the E-tool for reporting.
Other GEF Implementing Agencies		
The Food and Agriculture Organization of the United Nations (FAO)	<p>FAO is currently implementing a four-year GEF project to support the long-term sustainability of forest ecosystems in Serbia. The project will focus on the transformation of the National Forest Inventory.</p> <p>FAO has also provided two-day training workshops for farming communities Serbia on climate change adaptation and disaster risk reduction.</p> <p>FAO participated in the project stakeholder</p>	The CBIT project will work closely with the FAO project in order to ensure that improved forestry data from the forest inventory is incorporated into MRV and the electronic reporting tools developed under the project.

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 (women 50%, men 50%⁷)?

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

- Project preparation has involved consultation with gender specialists and consultations about gender issues
- In the project inception phase of this project, an engagement strategy for women and vulnerable groups will be designed to ensure gender and vulnerable community dimensions are adequately addressed.
- During the project inception the mandatory UNDP gender marker will be applied. This requires that each project in UNDP's ATLAS system be rated for gender relevance. This will for example include a brief analysis of how the project plans to achieve its environmental objective by addressing the differences in the roles and needs of women and men.
- Gender issues will be monitored throughout project implementation. These will be tracked on an annual basis as part of the Annual Progress Report/Project Implementation Review. Other gender-relevant markers will be identified and tracked as appropriate.
- The project design and implementation will ensure both an adequate balance of participation in the project, and the equitable distribution of benefits.
- Gender-sensitive indicators to be monitored per good practice are listed in the Project Results Framework in Section VII of the UNDP project document. As one of the cross-cutting issues, the Project will take into account gender mainstreaming as well, and in line with Gender Responsive National Communications Toolkit⁸ developed by the Global Support Programme through UNDP and in collaboration with UNEP and GEF.
- Balance will be sought for workshops under the project. With regard to the technical team to be hired to implement the enabling activity, gender balance will be also considered. The project will intend to engage appropriate female local consultants when possible and appropriate.
- Particular attention will be dedicated to gender differentiation of vulnerability assessments and climate change adaptation planning and incorporation of gender into disaster risk management.
- The project will ensure that data and information contained within the MRV system under the transparency framework will be gender disaggregated. Also, the MRV system in Serbia will be gender sensitive and all the data and information stored in this system will be gender disaggregated. Also, it will provide specific guidelines and tools on how to prepare gender sensitive climate change policies and measures, based on the data and information produced under the MRV.

⁷ Women comprise approximately 51% of the population of Serbia.

⁸<http://www.undp.org/content/undp/en/home/librarypage/womens-empowerment/gender-responsive-national-communications.html>

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

Table A.5.1: Project Risks and Risk Mitigation Approaches

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

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

A detailed description of roles and responsibilities of project partners and management is provided in Section IX of the accompanying UNDP project document and in its annexes.

The following table provides an overview of initiatives with which the CBIT project will coordinate.

Table A.6.1: Overview of Coordination with Related Programs and Projects

Programme/ Project	Description	Status	Partners
EU/IPA “Development of the National Climate Change Strategy with the Action Plan”	The National Climate Change Strategy with the Action Plan for Serbia will establish a strategic framework for climate action and includes adaptation options to address climate risks. Through this strategy, Serbia will put in place robust climate and energy policies that will enable the implementation of the NDC pledge and its potential strengthening in coming years. This policy framework should allow for transparent decision-making on future objectives, targets, and priority policies and measures for mitigation. The Strategy also defines the need for all relevant sectors to comply with the overall climate change policy framework for Serbia, including UNFCCC requirements, the Paris Agreement, and the EU strategic/legislative framework in the area of climate and energy.	Started in 2016	European Union, Government of Serbia (MoEP)
EU/IPA twinning project: “Establishment of a mechanism for implementation of the EU Monitoring Mechanism Regulation (MMR).”	<p>The project focuses on the development of a legislative and institutional framework for the implementation of the EU ETS Directive. This system is very ambitious and will need to be accompanied with improved capacities of line institutions and other stakeholders (such as industry) and by an effective MRV system.</p> <p>The project has another output that is also highly relevant to the CBIT project: training programs for representatives of relevant institutions, industry, and potential verifiers of GHG emissions reports, to support the EU ETS system development as well as to develop the monitoring and reporting capacities. The CBIT project will support the coordination process related to the obligations of all sectors and line ministries to adjust their strategic framework with the new climate change policy framework, as prescribed by both the National CC Strategy and the draft Law on Climate Change.</p>	Started in 2013	European Union, Government of Serbia (MoEP)
“Reducing Barriers to Accelerate Development of Biomass Markets in Serbia” and “Removing Barriers to Promote and Support Energy Management Systems in Municipalities throughout Serbia”	Both of these projects are supporting Serbia in attaining the renewable energy and energy efficiency targets that are communicated to the European Energy Community, under the EU accession process. These projects are very important in terms of their contribution to Serbia’s GHG emission reduction targets. As the energy sector is recognized also by Serbia’s NDC as one of the main sources of emissions and also the sector with greatest potential for GHG emission reduction, the results of both projects will be incorporated into the future revision of NDCs. Also, the second project, which supports energy management systems, resulted in the establishment of an on-line Energy Management Information System (EMIS) for Serbia that is being used by the Government and municipalities to report on their energy efficiency measures and energy management performance. Data and information from this system will be used to feed into the future MRV system for tracking Serbia’s NDC. The EMIS tool will also be used for the purpose of planning and for the revision of future NDCs under the CBIT project.	Under implementation	UNDP-GEF and the Government of Serbia (Ministry of Mining and Energy)

“Climate Smart Urban Development Challenge (CSUD)”	The objective of the CSUD project is to identify and promote climate-smart solutions for mitigating climate change at the local level in the Republic of Serbia.	2017-2021 (under implementation)	UNDP-GEF and the Government of Serbia (MoEP)
“Third National Communication and Second Biennial Update Report for Serbia to the UNFCCC (3NC/2BUR)”	The objective of the project is to support the Republic of Serbia in the preparation of its third NC and second BUR to the UNFCCC. The activities of this particular project that are related to the support in establishing an effective MRV system will be closely linked with the CBIT project. The MRV segment of the 3NC/2BUR project will be primarily focused on further elaboration of recommendations arising from the EU-funded projects mentioned above, with a particular emphasis on GHG Inventory improvements from the point of view of improved data collection. The CBIT project will also support specific inventory improvements under Output 3.2, but it will also address CC mitigation and adaptation planning and reporting from the point of view of capacity building and transparency as per the Paris Agreement requirements.	2018- (under implementation)	UNDP-GEF and the Government of Serbia (MoEP)

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 (LDCF/SCCF)?

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

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

argues the evidence is strong that investing in DRR and resilience yields economic benefits greater than costs.”⁹

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.

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

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

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

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

⁹ Price, R. (2018). Cost Effectiveness of Disaster Risk Reduction and Climate Change. K4D Helpdesk Report. Brighton, UK: Institute of Development Studies: 2.

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 project is consistent with the objectives stated in the Second National Communication and First Biennial Update Report to the UNFCCC which encompasses adaptation (increase the community resilience and climate adaptation) and mitigation (contribute to GHG emission reductions in key economic sectors). It will also be aligned with the goals and expected outcomes of the Third National Communication and Second Biennial Update Report to the UNFCCC. It is specially aligned with the first NDC and considers creating capacity to track its implementation as well as that of subsequent NDCs. The needs that are addressed in this project are aligned with the ones identified throughout the process of development of Serbia's Climate Change Strategy and Action Plan, as well as in the draft Climate Change Law (which was developed as the result of the two EU funded projects transposing two main climate related pieces of EU Acquis: the EU ETS and Monitoring Mechanism Regulation). The identification of needs for improved quality of the emissions data from specific sectors have been especially based on the Specialized reports produced under the SNC and FBUR projects, this analysis has helped the elaboration of National GHG Inventories. Also, the proposed CBIT project has been initiated as the response to the requirements arising out of the Paris Climate Agreement and based on the needs for development of a robust transparency framework that will enable national governments to monitor and evaluate implementation of the NDCs and enhance ambitions in subsequent planning of climate change policies and measures in line with the global long-term climate goals. It also ensures that institutional capacities to respond to these requirements are in place.

The GEF Operational Focal Point of Serbia, Ms. Danijela Bozanic, has endorsed the project with a letter signed on February 15, 2018.

C. DESCRIBE THE BUDGETED M & E PLAN:

The project will be monitored through the following M&E activities. The M&E budget is presented at the end of this chapter.

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 and – where appropriate/feasible – regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

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

- 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, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation 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 UNDP Regional Coordination Unit (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.

Mid-term of Project Cycle

If UNDP deems that a mid-term evaluation will be useful, the project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation. The Mid-Term Evaluation will determine progress being made towards the achievement of outcomes and will identify course corrections if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the UNDP Evaluation Office Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle. The mid-term evaluation cycle also provide an opportunity to ensure consistency with GEF guidelines on project monitoring and indicators and to make any adjustments necessary.

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 (and as corrected after the mid-term evaluation, if any such correction took place). 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 ¹⁰ (US\$)		Time frame
		GEF grant	Co-financing	
Inception Workshop	UNDP Country Office	USD 5,000	None	Within two months of project document signature
Inception Report	Project Manager	None	None	Within two weeks 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		Annually before PIR
GEF Project Implementation Report (PIR)	Project Manager and UNDP Country Office and UNDP-	None	None	Annually

¹⁰ 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 ¹⁰ (US\$)		Time frame
		GEF grant	Co-financing	
	GEF team			
NIM Audit as per UNDP audit policies	UNDP Country Office	3 years @ USD 4,000 / year, or USD 12,000		Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation	Project Manager Consultant	USD 4,000		Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Manager UNDP Country Office			On-going
Stakeholder Engagement Plan	Project Manager UNDP Country Office			On-going
Gender Action Plan	Project Manager UNDP Country Office UNDP GEF team			On-going
Addressing environmental and social grievances	Project Manager UNDP Country Office			On-going
Project Board meetings	Project Board UNDP Country Office Project Manager			At minimum annually
Supervision missions	UNDP Country Office	None ¹¹		Annually
Oversight missions	UNDP-GEF team	None ¹¹		Troubleshooting as needed
GEF Secretariat learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF team	None		To be determined.
Mid-term GEF Tracking Tool to be updated by	Project Manager			Before mid-term review mission takes place.
Independent Mid-term Review (MTR) and management response	UNDP Country Office and Project team and UNDP-GEF team	USD 17,000		Between 1 st and 2 nd PIR.
Terminal GEF Tracking Tool to be updated by	Project Manager			Before terminal evaluation mission takes place
Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response	UNDP Country Office and Project team and UNDP-GEF team	USD 17,000		At least three months before operational closure

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

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget ¹⁰ (US\$)		Time frame
		GEF grant	Co-financing	
Translation of MTR and TE reports into English	UNDP Country Office	n.a.		As required. GEF will only accept reports in English.
TOTAL indicative COST Excluding project team staff time, and UNDP staff and travel expenses		<i>USD 55,000</i>		

PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

A. GEF Agency(ies) certification

This request has been prepared in accordance with GEF policies¹² 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		09/25/2018	Damiano Borgogno	(+ 90) 850 288 2629	damiano.borgogno @undp.org

¹² 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 VII 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).

Responses/Revisions based on Review Comments Dated March 15, 2018

Question	GEF Secretariat Comment	UNDP Response
3. Does the PIF sufficiently indicate the drivers of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	PART II 1.1): Please provide nationally-specific information in detail that is relevant to the drivers of global environmental degradation. (Please describe the problems, root causes, and barriers that need to be addressed in Serbia in detail.)	Nationally-specific information have been added in the context of drivers of global environmental degradation (please see pg. 6-7), describing the problems, root causes and main barriers vis-à-vis climate related challenges and new transparency framework.
4. Is the project designed with sound incremental reasoning?	<p>AT/JDS, March 15, 2018: Not completely.</p> <p>PART II, 1. 4): Please provide justification of sound incremental reasoning for National GHG inventory development, defining climate change mitigation and adaptation measures, as well as basis for MRV system in detail by referring to outputs of EU IPA assisted projects and on-going GEF Enabling Activity project "2BUR and 3NC for Serbia under the UNFCCC" (UNDP-GEF, ID: 9733).</p> <p>PART II, 1. 5) Global environmental benefits: Taking into account the objective of CBIT, which supports developing country Parties in meeting enhanced transparency requirements as defined in Article 13 of the "Paris Agreements", we would like to suggest integrating and revising the 1st and 2nd sentence into the Following:</p> <p>"CBIT project will significantly assist Serbia to fulfill its commitments under the UNFCCC and Paris Agreement that incorporate its efforts towards EU accession process."</p> <p>PART II, 5. Coordination: Please clearly specify the interaction and roles of complimentary projects supporting ETF in Serbia (i.e., EU IPA, 2BUR and 3NC, and this project) in this section.</p>	<p>Additional information and justification of incremental reasoning for the GHG inventory development have been quoted (please see pg. 22, 23, 29, 30, 31), as well as for the defining climate change mitigation and adaptation measures in the context of the future MRV system. This also refers to the comment on interaction and roles of complimentary projects supporting ETF in Serbia (i.e., EU IPA, 2BUR and 3NC and CBIT). Inserted text explains in more details how the GHG inventory should be improved (in terms of applying advanced methodologies and sectors/gasses to be covered) and in which way such improvement will affect the quality and accuracy of the CCM and CCA planning, monitoring and reporting vis-à-vis the requirements of the new and enhanced transparency framework for Serbia. In fact, all the amended information was based on the recommendations of the EU IPA funded projects.</p> <p>Also, additional explanation on linkages with the 2BuR and 3NC have been provided, focusing on synergy and complementarity for the purpose of maximum utilization of available resources. CBIT project will build upon the results of the 2BuR and 3NC project, making the best use and upgrade of the data and information produced, in the context of the establishment of sustainable MRV system that can support transparency framework in Serbia. The 1st and 2nd sentences have been integrated and revised as per the suggestion on PART II, 1.5) on "Global Environmental Benefits";</p>
5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	<p>AT/JDS, March 15, 2018: Mostly.</p> <p>Table B, Component 1: We suggest changing the title of Project Component 1 to "Strengthening national transparency capacities for tracking NDC progress from mitigation activities", and revising other parts in the PIF accordingly.</p>	<p>The title of Project Component 1 has been changed to "Strengthening national transparency capacities for tracking NDC progress from mitigation activities", and other parts in the PIF were revised accordingly;</p>

Question	GEF Secretariat Comment	UNDP Response
6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	<p>AT/JDS, March 15, 2018: Mostly.</p> <p>PART II, 2. Stakeholders, Table: Please clarify if there is a gender group among the CSOs to be engaged in this project.</p>	<p>New part of the stakeholders' table regarding gender and gender oriented organizations and institutions has been added. This also includes the explanation how the gender-climate issues will be better integrated within the project activities and results.</p>
8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	<p>AT/JDS, March 15, 2018: Not this time.</p> <p>Please address comments stated in Box 3, Box 4, Box 5 and Box 6.</p> <p>The proposed project has a timeline of 48 months. Please justify as this length of time is higher than expected and may conflict with a CBIT trust fund deadline of June 30, 2023</p>	<p>Project timeline was modified to 36 months.</p>

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹³

Not applicable.

¹³ 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.