



Readiness and Preparatory Support Interim Progress Report

Grant Agreement Number (MNE-RS-002)

NDA/Delivery Partner Name

Sections in this report:

- Section 1: General Information
- Section 2: Reporting on Country Readiness Logical Framework
- Section 3: Actual Implementation Timetable
- Section 4: Budget Reporting
- Section 5: Procurement Plan for the Next Reporting Period
- Section 6: Challenges, Lessons Learned, and Way Forward
- Annex: Subsequent Disbursement Request Form

For more information, please refer to the GCF Readiness and Preparatory Support Programme guidebook available [online](#). Please submit the Interim Progress Report to opm@gcfund.org

Interim Progress report should be prepared and signed by Delivery Partner and/or National Designated Authority (NDA).

		DocuSigned by:	
Name and Title: Daniela Gasparikova Position: UNDP Resident Representative	Signature:	<i>Daniela Gasparikova</i> DE7DB4C2DA724A5...	Date:
Name and Title: Aneta Kankaraš Position: Advisor, Ministry of Ecology, Spatial planning and Urbanism	Signature:	<i>Aneta Kankaraš</i>	Date:

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EXECUTIVE SUMMARY



During the implementation of activities in the period July – December 2021, the activities implemented focused on the following sets of issues:

1. Presentation of the goals and implementation processes to a wider circle of stakeholders and securing the required input and participation to implement activities as planned. This was done by direct communication with relevant partners, experts and team members despite significant restrictions due to the COVID situation. At this stage, we believe that the key stakeholders and professionals representing key stakeholders institutions in Montenegro are well informed regarding the project.
2. In order to assess capacity of key stakeholders involved in the NAP process to determine individual and institutional capacity gaps, the NAP team focused on the development and implementation of a capacity assessment.
3. In the context of the updated the mission and mandate of the Working Group on Mitigation and Adaptation to Climate Change (WGMACC), the process resulted in significant improvement of the institutional set up for the WGMACC. Namely, initial assessment concluded that the performance of the current institutional arrangements is not optimal and should be improved. As a result, the project focused on strengthening capacities of the Secretariat in the terms of capacities, analysis and advice how to improve the framework. As a result, and in cooperation with the Secretariat of the National Council on Sustainable Development (NCSD) and the NDA, the Government of Montenegro in December adopted the decision to redesign the NCSD giving it a more prominent role within the Government structure.
4. Review and consolidation of available climate risks assessments within or related to the four priority sectors is ongoing. Based on consultation with national partners the team prepared an initial report and synthesis report of findings.
5. The project team has focused its efforts on creating synergies with projects and initiatives relevant for the CCA process. In this context, the team partnered with parallel UNDP Country Office (CO) activities focused on a needs assessment of the private sector for green transition and recovery. The project team inserted several questions for the survey to be implemented with 300 companies focused on understanding and relevance of CCA activities. The survey will be complemented with additional interviews with private sector actors.

As in the case of capacities assessment, the project created synergies with the preparation of Voluntary National Report (VNR) for the 2022 High Level Political Forum on Sustainable Development (HLPF), and as part of this initiative the CO will support the design of communication and coordination online platform. The project intends to use this platform, starting from April of this year, as an additional tool for dissemination of project results.

The NAP team is supporting the Council in designing the ToRs to be issued under the Capacity Building Initiative for Transparency (CBIT) proposal in a manner to create synergies between NAP and CBIT project for the benefit of the Council.

The risk that was present in the reporting period, and will continue to be present in the future, is the lack of adequate expertise for the advertised positions in the project. Most advertisements and tenders had to be extended several times to obtain candidates with adequate knowledge and skills. In this context, the project implementation team has a greater focus on disseminating information about published calls through professional networks and partner organizations.

It is to be expected that existing political instability will continue to be a negative factor affecting the implementation process. Namely, Government enjoys fragile support from the National parliament, which increases uncertainty and turnover of mid-level management and project counterparts over the short and medium term. If there is a vote of no confidence for the Government of Montenegro in the Parliament during 2022, this will most likely lead to a gradual replacement of current contact persons and key decision makers. One of the consequences of this situation is that the second planned meeting of the Steering



Project could not take place, as planned in December 2021, but was postponed to the first quarter of 2022, hoping for a more stable political situation and less Project board members workload.

SECTION 1: GENERAL INFORMATION

This section provides information on completing the General Information of the Readiness Support Interim Progress Report template.

1. Country	Montenegro
2. Grant agreement number	MNE-RS-002
3. Implementing Entity	United Nations Development Programme
4. Date of grant agreement signed	29/10/20
5. Grant effectiveness date	29/10/20
6. Date of 1 st disbursement received from GCF	08/01/21
7. Tranche number of the committed funding during the reporting period	1
8. Reporting period	From: 01/07/21 To: 31/12/21
9. Total approved grant amount	USD 1,868,296.00
10. Total grant amount received from GCF during the reporting period	USD 0
11. Total grant amount expended during the reporting period	USD 351,827.18
12. Documents provided (Please tick the relevant boxes)	<input checked="" type="checkbox"/> Interim Progress Report <input type="checkbox"/> Procurement Plan <input type="checkbox"/> Subsequent Disbursement Request <input checked="" type="checkbox"/> Financial Report <input type="checkbox"/> Audited Financial Report



SECTION 2: REPORTING ON COUNTRY READINESS LOGICAL FRAMEWORK

This section requires an update on progress in implementing the planned Readiness activities. Any draft to the expected output should be submitted with progress report.

Progress is reported for the period (should be consistent with section 1.8) From: 7/1/2021 To: 12/31/2021

Outcome 1: Adaptation planning governance, institutional coordination, and technical capacity strengthened.

Outcome narrative:

A Team Leader was selected, however, the performance during the initial stage of the work was poor and the contract was terminated. A new Team Leader was recruited, and the process continued and is now back on track.

The Project Team has focused its efforts on creating synergies with projects and initiatives relevant to the CCA process. In the context of this Outcome, the team partnered with parallel UNDP CO activities that focus on developing a needs assessment of the private sector for green transition and recovery. The team inserted several questions into the survey to be implemented with 300 companies focused on understanding and relevance of CCA activities. The survey will be complemented with additional interviews with private sector actors.

In the context of the updated the mission and mandate of the Working Group on Mitigation and Adaptation to Climate Change (WGMACC), the process resulted in significant improvement of the institutional set up of the WGMACC. In particular, the initial assessment concluded that the performance of the current institutional arrangements is not optimal and should be improved. As a result, the project focused on strengthening capacities of the Secretariat in the terms of capacities and analysis and advice on how to improve the framework. As a result, and in cooperation with the NCSD Secretariat and the NDA, the Government of Montenegro in December adopted the decision to redesign the NCSD giving it a more prominent role within the Government structure.

The project will begin to use the VNR platform, starting from April 2022, as additional tool for dissemination of project results.

Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved ¹	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
1.1: Institutional capacity for adaptation planning assessed and enhanced	There is insufficient technical capacity within the relevant institutions to understand climate information in the context of climate change and impacts, nor to effectively assess,	As per approved proposal the Outcome is achieved through 4 sets of activities. Activity 1.1.1 Assess capacity of key stakeholders involved in the NAP process to determine individual and institutional	target in progress	Number of institutions with technical capacity in CCA assessed – at least 10. Number of capacity building measures identified as an input for training programs of 1.1.2. Number of personnel newly trained in climate information and vulnerability/risk data analysis and dissemination, integration tools, appraisal and prioritization of CCA options, CCA project development, MRV, gender mainstreaming (gender	Internal UNDP process of obtaining Delegation of the authority and budget allocation finalised by end of March 2021, - Inception workshop took place organised on 05.04.2021, - Project Board appointed. First	For the period 01.07.2021 – to 31.12.2021 1.1.1. No variance A 1.1.4 - Equipment procurement financed by the	The project continues to disseminate information in an adequate manner and to create information exchange and partnerships. The team will continue relying on partners and available networks to	For the period 01.07.2021 – to 31.12.2021 A1.1.1 – COVID 19 affected the dynamic of the survey implementation slightly postponing assessment for additional 5 to 10 institutions for January 2022. The plan is to complete these

¹ If possible, please provide hyperlinks to supporting documents.



	<p>prioritize and monitor adaptation investments.</p>	<p>capacity gaps that are key for integrating climate risks and adaptation into planning Activity 1.1.2 Based on the results of 1.1.1, develop and deliver a training programs to increase the capacity of government officials within the relevant government entities involved in the NAP Activity 1.1.3 Deliver a capacity development program uniquely designed for the private and civil society sectors to improve their understanding of climate risks and vulnerabilities Activity 1.1.4 Train Institute of Hydrometeorology and Seismology (IHSM) staff on how to effectively use their mobile climate data collection units.</p>		<p>disaggregated). (target a total of 75 individuals from the same stakeholder groups of 1.1.1. with 50 percent of the participants being women)</p> <p>Number of new training modules created for CCA capacity development – at least 1 per sector for institutions, private sector and CSOc</p> <p>Number of private and civil society sectors representatives trained in CCA technical skills (at least 75 people each session with 50 percent of the participants being women)</p> <p>Number of new training modules created for CCA capacity development.</p> <p>Means of verification:</p> <p>Review of gaps assessment reports (1.1.1)</p> <p>Review of capacity development plans</p> <p>Pre- and post- training surveys and reports (1.1.2)</p> <p>Review of training manuals</p> <p>Pre- and post- training surveys and reports (1.1.3)</p> <p>Review of training manuals</p> <p>Pre- and post- training surveys and reports (1.1.4)</p> <p>Review of training manuals</p>	<p>meeting took place on 04.04.2021.</p> <p>A 1.1.1.National and international consultants recruited</p> <p>A 1.1.4 The development of the ToR for training for IHSM staff on how to effectively use their mobile climate data collection units is ongoing.</p> <p>----- For the period 01.07.2021 – to 31.12.2021</p> <p>A 1.1.1. Selected national and international consultants are currently undertaking the capacity gap assessments of key government stakeholders, the private sector and CSOs. A series of meetings was held during July 2021. However, this process demonstrated that the selected lead consultant was unable to provide services and inputs in satisfactory and quality manner and the cooperation was terminated. With new lead consultant the work continued and</p>	<p>Adaptation Fund is ongoing. However, the Adaptation Fund project will provide the training for equipment use as well. This means that, in this context, NAP project support is not needed. The ongoing capacity assessment is targeting this institution as well and will result in a final ToR for this activity.</p>	<p>disseminate future calls and ToRs securing better responses.</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>Over the reporting period the project team managed to engage the necessary expertise and to engage with relevant partners in a meaningful information exchange and cooperation. Taking COVID restrictions into consideration and that a significant percentage of government personnel is very new at current position, the team still managed to initiate survey and gather relevant data.</p>	<p>meetings and finalise the capacity gap assessment of key government stakeholders in February.</p> <p>In the context of the private sector the goal is to finalise green transition needs assessment and extrapolate information relevant for CCA, and have an additional 30 in depth interviews.</p> <p>An additional 15 in depth interviews are expected with relevant NGOs and associations.</p> <p>During the next reporting period it is expected that development of the training programs to increase the capacity of government officials within the relevant government entities involved in the NAP as well as private and civil society sectors to improve their understanding of climate risks and vulnerabilities will be completed.</p> <p>1.1.4. Finalise the design of the ToR for the training of IHSM staff and initiate the training.</p>
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					<p>in October 2021 first workshop was organised.</p> <p>Following the workshop, the team developed questionnaires and initiated the survey. As of December 31st the team focused on assessment of the institutions implementing 16 meetings with 15 different institutions represented by 41 survey participants.</p> <p>In the context of private sector, as the first step, the team partnered with parallel UNDP initiative focused on assessing needs for the private sector for green transition. Within this context the survey was implemented with the sample of 300 companies and several questions covered issue of companies understanding of CCA. The survey will give better understanding of the context and provided an initial list of companies for a more in-depth survey that was initiated in December 2021.</p>			
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					<p>As of December 31st, 14 companies and 7 CSOs were surveyed as of December 31st..</p>			
<p>1.2 Institutional coordination to support adaptation planning strengthened</p>	<p>The Working Group on Mitigation and Adaptation to Climate Change within the National Council for Sustainable Development does not have a formalized and codified mission, mandate, governing processes SOP's preventing effective adaptation planning.</p>	<p>As per approved proposal the Outcome is achieved thought sets of activities as listed in the proposal as Activity 1.2.1 Update the mission and mandate of the Working Group on Mitigation and Adaptation to Climate Change in order to appropriately include issues related to adaptation</p>	<p>target in progress</p>	<p>Number of barriers analyzed, and recommendations made for the framework for CCA planning at the national level.</p> <p>Existence of a validated mandate and governing process for adaptation at the Working Group on Mitigation and Adaptation to Climate Change.</p> <p>Developed and adopted Standard Operating Procedures for coordination of adaptation plans and activities between sectors and agencies as well as among working groups at national and municipal levels.</p> <p>Means of verification:</p> <p>Review of gap analysis and institutional reviews/barrier assessments.</p> <p>Interview with stakeholders on NCSD, sectorial focal points.</p> <p>Review of defined mission and mandate of WGMA and NAP updating process.</p>	<p>A 1.2.1. National Consultant to review the mandate of the WGMACC selected</p> <p>Advertised a ToR for an international consultant to review and redefine the mandate of the WGMACC.</p> <p>Advertised a ToR for a national consultant / Legal Advisor</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>During the reporting period the team focused on supporting the process of the transformation of the National Council for Sustainable Development (NCSD). First the structure of the NCSD and the working group mandated with CCA issues should be redesigned. Understanding this need the team put forward set of recommendations</p>	<p>In the previous reporting period, various vacancy announcements had to be extended due to a lack of qualified candidates</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>1.2.1 The vacancy announcement for a National consultant / Legal Advisor didn't result with eligible candidates. The position will be readvertised.</p>	<p>Based on inputs and codesign with relevant national partners the ToRs for several positions were developed.</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>A very important aspect of the work during the reporting period focused on creating preconditions for the reform of NCSD, resulting in an important improvement of the institutional framework. From the aspect of the project this is especially important as it provides a stable platform for planned trainings and capacity building initiatives</p>	<p>- Finalise pending selection process.</p> <p>- Review and redefine the mission and mandate of the WGMACC</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>A 1.2.1 NCSD re-establishment Council members re-appointments Implementation of new operating procedures Continuous capacity building for the Secretariat of the NCSD and working group mandated for CCA members</p> <p>Support the establishment and use of an online consultation platform</p> <p>1.2.1 Vacancy announcement for a National consultant / Legal Advisor position.</p>



					<p>and capacity building exercises for the team of Secretariat that resulted in the redesign of the NCSD. Until December 2021, the Secretariat of the NCSD was hosted by the Ministry of Ecology, Spatial planning and Urbanism as a unit within one of the directorates. The project team in collaboration with the NDA managed to present the case for the redesign of NCSD resulting Government of Montenegro decision in December to move the NCSD in the Government (Secretariat general of the Government). It is important to note that this idea has been suggested previously, until now no one managed to implement this process. The importance of the process is that the NCSD now should have significantly more resources and institutional power for the implementation of its mandate.</p>			
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Outcome 2: An enhanced evidence base for designing gender-sensitive adaptation solutions.								
Outcome narrative: Review and consolidation of available climate risk assessments within or related to the four priority sectors is ongoing. Based on consultation with national partners the team prepared an initial report and synthesis report of findings. The next phase of contracting experts needed for the process began in December.								
Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved²	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
2.1 Gender-specific climate change-driven risks and vulnerabilities in priority sectors identified, broad goals and potential adaptation measures developed	There is limited and scattered information on Montenegro's climate vulnerabilities, impacts, and adaptation priorities. Little to no insight on the most pressing climate change driven risks and vulnerabilities within the four sectors. This hinders/prevents informed adaptation planning. No existing process for developing, analysing and evaluating options. Investment decisions are made on an ad-hoc	As per approved proposal the Outcome is achieved through 3 sets of activities. Activity 2.1.1 Undertake a comprehensive review and consolidation of available climate risks assessments within or related to the four priority sectors that includes an examination of the impacts on both public and private sectors assets and systems in the assessments Activity 2.1.2 Develop gender-sensitive	target in progress	<p>Number of genders compiled and synthesized climate impact analyses (expected 4)</p> <p>Number of newly updated climate change scenarios.</p> <p>Number of relevant past adaptation projects documented.</p> <p>Number of engagement and gender action plans developed for CCA.</p> <p>Number of newly created outreach products on CCA and NAP. Number of published articles in media outlets.</p> <p>Number of stakeholders attending workshops and outreach events on CCA and NAP process per annum (gender disaggregated).</p> <p>Means of verification:</p> <p>Review of gaps and verification with stakeholders.</p> <p>Number of gender-sensitive adaptation goals, targets and indicators for each of the four priority sectors.</p>	<p>Selection process for the company/service provider to undertake a comprehensive review and consolidation of available climate risks assessments underway and the contract is expected to be issued during July.</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>Activity 2.1.1 Company/service provider to undertake a comprehensive review and consolidation of available climate risks assessments within or related to the four priority sectors finalized. The company implemented consultation process,</p>	<p>For the period 01.07.2021 – to 31.12.2021</p> <p>Activity 2.1.1 - No variance</p> <p>Activity 2.1.2</p> <p>Activity 2.1.3</p> <p>- No variance</p>	<p>For the period 01.07.2021 – to 31.12.2021</p> <p>The initial work focused on two main activities: . identification of available data and data sources and creating relationships and information exchange opportunities with the relevant partners. The challenges for the process are limitations arising from COVID-19 such as: travel limitations, and infection of key partners and team members. In parallel, a number of the government stakeholders are persons newly appointed to the positions they currently hold, and time is</p>	<p>For the period 01.07.2021 – to 31.12.2021</p> <p>Activity 2.1.1 – presentation of the work until end of 2021. Presentation and verification of findings. Finalisation of the vulnerability assessment and delivery of the final report for public review.</p> <p>Activity 2.1.2 Activity 2.1.3– expert selection and finalisation of activities in line with the published ToR</p>

² If possible, please provide hyperlinks to supporting documents.



	<p>basis, without a structured methodology frequently leading to sub-optimal outcomes. There is a lack of a pipeline of well-designed relevant adaptation projects.</p>	<p>adaptation goals, targets and indicators for each of the four priority sectors.</p> <p>Activity 2.1.3 Review and analyze sectoral development plans and policies (water, agriculture, public health and tourism) to identify entry points for integrating gender-sensitive climate adaptation measures.</p> <p>As presented in the proposal.</p>		<p>Number of gender-sensitive adaptation measures into sector plans and policies for each of the four priority sectors.</p>	<p>4 stocktaking workshops and delivered an Inception report and synthesis report of the findings.</p> <p>Activity 2.1.2 Activity 2.1.3– Published ToRs</p>		<p>needed for them to adjust and become fully functional.</p>	
<p>2.2 National Adaptation Planning processes established.</p>	<p>The NAP process is in an early development stage and is not advancing. There is essentially no public awareness about the GoM adaptation concerns and aspirations.</p>	<p>As per approved proposal the Outcome is achieved through 6 sets of activities.</p> <p>Activity 2.2.1 Informed by Activities 2.1.1, 2.1.2 and 2.1.3 this activity will establish a team of multidisciplinary national and international experts to formulate and draft a National Adaptation Plan.</p>	<p>Target in progress</p>	<p>Status of National Climate Change Adaptation Plan</p> <p>Means of verification: Draft National Climate Change Adaptation Plan produced</p> <p>Draft work plan for implementation of National Climate Change Adaptation Plan produced</p> <p>Draft M&E National Climate Change Adaptation Plan produced</p> <p>Draft Gender Action Plan and the Communications Plan for National Climate Change Adaptation Plan produced</p> <p>National Climate Change Adaptation Plan approved</p>	<p>Selection process for the company/service provider to undertake a public awareness communications campaign finalised. The activities expected to start in July.</p> <p>For the period 01.07.2021 – to 31.12.2021</p> <p>Activity 2.2.3 - Published ToRs</p> <p>Activity 2.2.4 - Published ToRs</p>	<p>For the period 01.07.2021 – to 31.12.2021</p>	<p>For the period 01.07.2021 – to 31.12.2021</p> <p>The outreach during the reporting period mainly focused on reaching the professional community and relevant institutions in order to position and inform them about the NAP project. Considering the number of events and number of participants the goal was achieved, creating relevant relationships and preconditions for the</p>	<p>For the period 01.07.2021 – to 31.12.2021</p> <p>Selection of experts needed for future activities. Implementation of communication strategies, with focus on online presence. Organisation of info days, workshops and events.</p>



		<p>Activity 2.2.2 Develop a work-plan for implementation of the NAP process over a 3-year period.</p> <p>Activity 2.2.3 Establish a monitoring and evaluation framework for adaptation planning and its effectiveness. This monitoring and evaluation framework will include indicators and targets for monitoring and evaluation based on sex-disaggregated data.</p> <p>Activity 2.2.4 Develop a Gender Action Plan to ensure gender is explicitly featured in the design and implementation of the NAP.</p> <p>Activity 2.2.5 Coordinate a public and expert review</p>		<p>Stakeholder outreach and awareness-raising strategy developed, Workshop and training reports and attendee lists.</p> <p>Pre- and post- training participant surveys.</p> <p>Review of developed outreach and knowledge products.</p>	<p>In an effort to create synergies with the ongoing initiatives, the NAP team participated in the organisation of a national workshop focusing on CC and Gender, which was led by UNDP (supported by the National Communication project) and which saw participation from civil society. During the workshop the NAP work was presented.</p> <p>Activity 2.2.6 –</p> <p>Company to deliver a public awareness communications campaign selected, the work plan and communication strategy developed. The company provided support in event organisation for the period October – December.</p>		<p>next phase of the implementation.</p>	
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		process of the NAP. Activity 2.2.6 A public awareness communications campaign to communicate Montenegro's medium- to long-term adaptation priorities. As presented in the proposal.						
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Outcome 3: An adaptation finance mobilization strategy developed.

Outcome narrative: No activities conducted during the reporting period using the NAP funds. However, a Diagnostic Study on Needs of the Business Sector for Green Economic Recovery was initiated. Although the studies are not funded from NAP project funds, the conclusions are important as an input to Component 3 of the NAP project,

Outputs	Baseline summary	Activities	Targets achieved	Indicators	Milestones and deliverables achieved ³	Variance explanation	Qualitative assessment of activities undertaken	Planned activities and corresponding deliverables/milestones for the next reporting period
3.1 Mechanisms for funding adaptation investments identified.	There is a lack of clarity on the costs of addressing the adaptation needs in the four priority sectors. Additionally, there is a lack of understanding of the financing options available for adaptation including within GoM budgets but	As per approved proposal the Outcome is achieved through 3 sets of activities. Activity 3.1.1 Conduct a preliminary cost-benefit analysis for prioritized CCA investment options Activity 3.1.2	Activities not yet started	Number of preliminary cost-benefit analysis for prioritized CCA investment options Number of available sources of funds for CCA identified and reviewed and included in financing and investment strategy Number of Concept Notes developed that address the prioritized risks and respond to the identified adaptation options of each sector. Means of Verification: A report detailing the preliminary costs of each of the				No activities planned for the next 6 months

³ If possible, please provide hyperlinks to supporting documents.



	<p>also international sources.</p>	<p>Develop a financing strategy that maps to the prioritized adaptation goals and that identifies and considers the barriers that prevent private sector stakeholders from engaging in low-emission and climate-resilient development.</p> <p>Activity 3.1.3 Informed by Activities 2.1.1, 2.1.2, 2.1.3 and 2.2.1, four Concept Notes will be developed that address the prioritized risks and respond to the identified adaptation options of each sector.</p> <p>As presented in the proposal.</p>		<p>prioritized adaptation investments approved (3.1.1).</p> <p>Review assessment report on long-term financial needs and NAP</p> <p>Investment Strategy</p> <p>Four Concept Notes, one for each sector, that address the highest prioritized adaptation measure for each sector endorsed by relevant stakeholders.</p>				
<p>3.2 Private sector engagement in adaptation strengthened.</p>	<p>The private sector is not engaged in investing in adaptation projects and activities. They lack knowledge of the risks and costs to their businesses/sectors as well as the options and</p>	<p>As per approved proposal the Outcome is achieved thought 2 sets of activities.</p> <p>Activity 3.2.1 Informed by Activities 3.1.1 and 3.1.2, define a sustainable finance</p>	<p>Activities not yet started</p>	<p>Number of incentive mechanisms for private sector participation in adaptation identified</p> <p>Number of personnel newly trained in climate information and vulnerability/risk data analysis, integration tools, appraisal and prioritization of CCA options, CCA project development, gender mainstreaming (gender disaggregated). (target a total of xxx individuals with 50 percent</p>				<p>No activities planned for the next 6 months</p>



	<p>opportunities that adaptation presents.</p>	<p>sector investment strategy and roadmap to increase the private sector's interest and engagement in adaptation.</p> <p>Activity 3.2.2 Informed by Activities 2.1.1, and 3.2.1, deliver workshops with private sector actors including representatives from major companies, industry associations, banks and academia, to explore and present strategies and opportunities for investing in adaptation projects as well as real or potential government incentive schemes aimed at encouraging investment.</p> <p>As presented in the proposal.</p>		<p>of the participants being women)</p> <p>Number of new training modules created for CCA capacity development.</p> <p>Means of verification:</p> <p>Review of baseline analysis for private sector participation in CCA, as well as surveys and consultations</p> <p>Review of incentive tools and financial products developed</p> <p>Review of baseline analysis for private sector participation in CCA, as well as surveys and consultations</p> <p>Review of incentive tools and financial products developed</p>				
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SECTION 4: BUDGET & EXPENDITURE REPORTING

This section requires the applicant to report on the proposed budget. Please complete this section using the Readiness Budget Expenditure & Resource Report template (MS Excel)

SECTION 5: PROCUREMENT PLAN FOR THE NEXT IMPLEMENTATION PERIOD

List the items planned to be procured during the next implementation period (including consultants) and explain what procedures will be used for these procurements (e.g. direct procurement, open tender, other). Double-click the table below to edit the spreadsheet.

Item to procure	Unit Number or Work month/day	Lump sum or Unit rate	Total Budget	Procurement procedures used
	i	ii	iii = (i x ii)	
Goods and Non-Consulting Services				
Workshops		96000	96000	Direct procurement of individual workshops
Audio Visual & Printing (AV equipment, printing and t		24000	24000	Direct procurement

SECTION 6: CHALLENGES, LESSONS LEARNED AND WAY FORWARD

Please describe what were the challenges encountered during the current reporting period; what were the solutions to mitigate them; and what were the key lessons learned and what will the project do to undertake course corrections during the next reporting period.

⁴ As per signed agreement.

⁵ Please provide details information of commitment and accrual including vendor/payee name, amount and payment due date.

⁶ Please provide justification for variance, excess of 10% of the amount originally allocated for a Category shall only be done with the Fund's prior written approval.



The project implementation during the reporting period can still be considered as being in the initial phase and overall, the process is on track with no significant risks that would jeopardize the achievement of the objectives set by the project. The project has progressed as planned, however, it there are several potential risks that require attention during the next phase of implementation.

Firstly, after the elections in 2020, there was a change in the structure Government of Montenegro, including Ministries and coordinating bodies. These changes have also led to changes in personnel. The new personnel needed a period of adjustment to new positions, and it requires continued additional effort from the Project Team to push the NAP process as a key priority. Following the appointments, especially at the mid-management level (such as heads of departments, and directors of directorates in the ministries), a significant majority of these positions are still *acting* appointments, meaning that the appointment as a permanent position is still pending, and acting as a detriment to day to day performance.

An additional related issue is the ongoing political crisis with frequent announcements of a vote of no confidence in the Government, which may lead to directing the attention of appointed employees to topics other than their professional mandate. These distractions are leading to postponed decision making that needs to be accounted for and managed. The project response in this context is twofold: (i) secure communication and information exchange with current partners and stakeholders in transparent and continuous manner positioning project as information exchange hub and valuable support for relevant partners, (ii) maintain communication with as broader audience as possible, securing participation and information exchange with a goal of diversifying partners and participants in the process and ensure that regardless of the structure of the Government or the ruling coalition in the future, there are always a number of well-informed partners who can contribute to the process.

The project is also trying to create a wider network of associates and partners in a systematic way to begin the process of mainstreaming adaptation.

Some challenges and risks have emerged in the previous 12 months of implementation, and remained valid during the reporting period:

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- A lack of cooperation between government stakeholders with regards to establishing an institutional coordination framework in the context of CCA and sustainable development as a whole. While the project did contribute for a very significant improvement in the institutional framework and better positioning of the Council for Sustainable Development, this can be considered a good first step and foundation to build on. The Council becoming the part of the Prime Minister's Office should create the possibility for more effective operation of the Council through a broader mandate and competencies of the Government and the Prime Minister's Office, however, this will strongly depend on capacities and resources at the Council's disposal. The project will continue to provide as many services and implement as many activities as possible through the Council, strengthening its position and capacities along the way. In parallel, the NAP project practice of creating synergies between relevant initiatives will be implemented in the work with the Council as well. As an example:
 - the NAP team-initiated partnership building between the newly formed Innovation Fund and the Council
 - the NAP team is supporting the Council in designing the ToRs to be issued under the CBIT proposal in a manner to create synergies between NAP and CBIT project for the benefit of the Council.



- the NAP team abandoned the idea of creating the Partnership Board for the project. In discussion with NDA, it was concluded that the tasks of the Partnership Committee could be transferred to the Working Group of the Council. In addition if the NAP creates this kind of the group that will provide short-term benefit for the project, but could undermine the mandate of the WG of the NCSD as other projects might follow a similar approach and create similar structures, distracting attention and resources from Council.

Over the next 6 months, the focus of the project will be in the area of defining the coordination mechanism, involvement of universities and university units in the work of councils and project activities as well as efficient implementation of contractual obligations by contracted service providers/consultants. In this context, it is important to continue the close cooperation with key partners and to jointly develop a base of contacts and persons / institutions that can contribute to the implementation process.

(Less than one page)

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Comments		
Reviewed by: <i>Name and Title (Reviewer):</i> <i>Position:</i>	Signature:	Date: (DD-MM-YYYY)
Final assessment by: (Satisfactory to GCF) <i>Name and Title (Reviewer):</i> <i>Position:</i>	Signature:	Date: (DD-MM-YYYY)



Annex. Subsequent Disbursement Request Form

Please fill the below form to request for the subsequent disbursement when the interim progress report along with unaudited financial statement/financial audit report/certified financial statements as applicable in accordance with Grant Agreement has been submitted to GCF (please note that the disbursement request can be processed only after these conditions are met).

SUBSEQUENT DISBURSEMENT REQUEST	
1. Total amount approved for the project	Choose an item. Example: USD 300,000
2. Disbursement from GCF made to date/Percentage of Total Grant (%)	Choose an item. Example: USD 120,000 /40 % (refer to Grant Agreement)
3. Total expenditure to date	Choose an item. Example: USD 118,000
4. Expenditure rate as of the Interim Progress Report submission date (%)	<i>Please divide the received amount (2) by the executed amount (3). Example: 70%</i>
5. Total amount of the subsequent disbursement to request/Percentage of Total Grant (%)	Choose an item. Example: USD 130,000/43 % (refer to Grant Agreement)
6. Name of Beneficiary Bank and located country	
7. Account number	
8. Bank address	
9. SWIFT (BIC)	
10. IBAN Code	
11. Date of the disbursement request	Click or tap to enter a date.

Name and Title*: Position:	Signature:	Date:
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**The signatory of grant agreement (either NDA or Delivery Partner) or any authorised person who is certified in the letter of authorisation submitted to the Fund can sign here. When this is not plausible, please kindly consult with the Fund (opm@gcfund.org) prior to the submission of the disbursement request.*



SPECIAL ADDENDUM: COVID-19 RELATED IMPACTS

This section provides information on temporary measures to support project implementation through the extension period. Please be advised that the measures do not constitute a permanent change in policy. If you have any questions, please feel free to send an inquiry to opm@gcfund.org.

GCF has granted up to six-months extension of the grant term/anticipated duration of readiness activities for specific grants that had been approved by the GCF prior to the pandemic having arisen and which expire after 1 March 2020 and are effective prior to 8 April 2020. GCF has granted additional flexibilities with guidelines as outlined below.

No-Cost Extension

- i. All grants will be automatically extended by six months. However, please be informed that the willingness on the part of the GCF to provide this six-month extension on the basis of the COVID-19 pandemic is not intended to prevent RPSP activities from being delivered under the pre-pandemic existing contractual timelines. Delivery partners and National Designated Authorities/Focal Points (NDA/FP) can complete the grant implementation sooner than the full no-cost extension period. Therefore, the GCF expects that delivery partners will fully coordinate with NDA/FPs in relation to the application of the said extension as a result of the COVID-19 pandemic.
- ii. Delivery partners should include a revised workplan for the new period in the next reporting cycle.
- iii. Grants requiring an extension longer than the six-months must submit well justified requests in line with standard practices and procedures for the GCF's consideration and approval.
- iv. The originally agreed grant sum required to complete the activities under the respective legal agreements remains unchanged for grants accepting the no-cost extension.

Project management costs: The project management costs (PMC) cap has been increased from 7.5 percent to 12.5 percent of the total activity budget approved. Partners can tap into the approved contingency fund to meet these additional costs up to the 12.5% cap. If the delivery partner increases the PMC, then the delivery partner is required to provide detailed documentation and justification supporting the increase in PMC and clearly outlining how the additional costs are related to the COVID-19 pandemic. This justification should be included in the interim progress report or completion reports due for submission as detailed in the grant agreement.

Contingency budget: The approved contingency amount included in the budgets for these activities may be used to cover unforeseen costs relating to the COVID-19 pandemic without prior approval from GCF. The contingency budget may be used for project management costs (PMC). The said contingency expenses will need to be justified and included in the detailed reports that are required to be submitted by the delivery partner/recipient under the respective legal agreement between the delivery partner/recipient and the GCF.

Budget Re-allocation: The reallocation of approved budget among the budget line items can be made from one budget category to another up to 25 percent variation across the categories. The receiver and giver budget category can only take or give without prior fund approval up to 25 percent based on the previously approved budget. Budget can also be reallocated from outputs without changing the project scope to PMC if the contingency budget is insufficient to meet the increases in PMC. The delivery partner is required to provide detailed documentation and justification supporting the budget reallocation in the submitted reports in line with the grant agreement.



Types of Measures	Output No.	Activity No.	Implementation and Deliverables Schedule				Budgetary Implications
			(Please provide details of the change to activities, deliverables, etc.)				
			Impact on delivery modality	Deliverable	Original Date	Revised Date	
Choose an item.							
Choose an item.							
Choose an item.							
Choose an item.							
Choose an item.							
Choose an item.							

In-country Status (Please provide an update of the status of the country due to COVID-19 pandemic.)	
Justification for Requests and Implications (Please provide details of the changes to support utilization of temporary measures.)	
Mitigation Measures (Please provide details of how risks will be mitigated)	



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Comments

Reviewed by:

Name and Title:

Position: DSS Finance

Signature:

Date:

(DD-MM-YYYY)

Certified by:

Name and Title:

Position: DSS Finance

Signature:

Date:

(DD-MM-YYYY)

Approved by:

Name and Title:

Position: CFO

Signature:

Date:

(DD-MM-YYYY)

FOR GREEN CLIMATE FUND'S SECRETARIAT USE ONLY

Comments

Reviewed by:

Name and Title (Reviewer):

Position:

Signature:

Date:

(DD-MM-YYYY)

Final assessment by:

(Satisfactory to GCF)

Name and Title (Reviewer):

Position:

Signature:

Date:

(DD-MM-YYYY)