
INTERIM NARRATIVE REPORT

**EU FOR GREEN AGENDA IN SERBIA:
Get Started, Take Action, Scale-up**

01 January 2025 – 31 December 2025

Implemented by UNDP



TABLE OF CONTENTS

LIST OF ACRONYMS USED IN THE REPORT..... 3

1. DESCRIPTION..... 5

2. ASSESSMENT OF IMPLEMENTATION OF PROJECT ACTIVITIES..... 6

3. DIFFICULTIES AND CHALLENGES..... 107

4. VISIBILITY AND COMMUNICATION 111

5. CONCLUSIONS AND WAY FORWARD 115

ANNEX 1 – OVERVIEW OF ALL BUDGET CONTRIBUTIONS – 2025 117

List of acronyms used in the report

AQP	- Air Quality Plans
BUR	- Biannual Updated Report
CBAM	- Carbon Border Adjustment Mechanism
CPD	- Country Programme Document
CSO	- Civil Society Organizations
DAL	- Directorate for Agricultural Land
EGD	- European Green Deal
EE	- Energy Efficiency
EIA	- Environmental Impact Assessment
EIB	- European Investment Bank
EMIS	- Energy Management Information System
ETS	- Emission Trading System
EU	- European Union
EUIC	- EU Info Centre
FLR	- Forest Landscape Restoration
GAWB	- Green Agenda for the Western Balkans
GHG	- Greenhouse Gas
IED	- Industrial Emissions Directive
IPPC	- Integrated Pollution Prevention and Control
LCDS	- Low-carbon Development Strategy
LSG	- Local self-government
LVGA	- Low Value Grant Agreement
MAFWM	- the Ministry of Agriculture, Forestry and Water Management
MEP	- the Ministry of Environmental Protection
MME	- the Ministry of Mining and Energy
MRV	- Monitoring, reporting and verification
MS	- Member State
NC	- National Communication
NDC	- Nationally Determined Contribution

NECP	- National Energy and Climate Plan
NGO	- Non-governmental organization
PBPA	- Performance-based Payment Agreements
PSC	- Project Steering Committee
RES	- Renewable Energy Sources
RIA	- Regulatory Impact Assessment
RP	- Responsible Party
SDC	- Swiss Development Cooperation
SEA	- Strategic Impact Assessment
SECO	- Swiss Economic Cooperation and Development
SEPA	- Serbian Environmental Protection Agency
SIDA	- Swedish International Development Cooperation Agency
StAP	- Short-term Air Quality Action Plans
TOR	- Terms of Reference
UNDP	- United Nations Development Programme
WG	- Working Group

1. DESCRIPTION

1.1. Name of Coordinator of the grant contract:

United Nations Development Programme (UNDP)

1.2. Name and title of the contact person:

Yakup Beris, Resident Representative

1.3. Name of beneficiary(ies) and affiliated entity(ies) in the Action:

United Nations Development Programme

1.4. Title of the Action:

EU for Green Agenda in Serbia: Get Started, Take Action, Scale-up

1.5. Contract number:

00136377 / 00127312

1.6. Start date and end date of the reporting period:

01 January 2025 – 31 December 2025

1.7. Target country(ies) or region(s):

Republic of Serbia

1.8. Final beneficiaries &/or target groups (if different) (including numbers of women and men):

The ultimate beneficiaries of the Project are the citizens of Serbia, but also the region and Europe, creating better living conditions within planetary boundaries. The Project is also designed to contribute to supporting a green and inclusive recovery after the Covid-19 pandemic. Target groups¹ include public administration, public utility companies, the private sector, academia, civil society organisations, youth and vulnerable groups.

1.9. Country(ies) in which the activities take place (if different from 1.7):

Republic of Serbia

¹ “Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level, and “final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large.

2. ASSESSMENT OF IMPLEMENTATION OF PROJECT ACTIVITIES

2.1 Summary and Context of the Action

The European Union (EU) published the **Serbia 2021 Progress Report**, which stressed the importance of Serbia doing more to integrate climate action into all public policies and relevant sectors, to considerably strengthen its administrative and technical capacity at all levels and further increase investments towards green transition. Four years after the Project implementation started, the European Commission has been continuously monitoring the alignment progress in an attempt to strengthen national capacities and facilitate the process of association with the EU.

EU Progress Report 2025

The most recent EU Progress Report 2025 provides a profound analysis of the Serbian progress in the accession Cluster 4 including the most relevant chapters 15 and 27.

In Chapter 15, **the energy sector**, generally, a lot has been done in the area of alignment, but still, enforcement remains an area where significant efforts should be made. Serbia continued further alignment with the Electricity Regulation, Renewable Energy Directive (the Regulation on sustainability criteria for biofuels, bioliquids, and biomass fuels was adopted), and Energy Labelling Regulation, while no progress was made in aligning with the Energy Performance of Buildings Directive and Energy Efficiency Directive. Regarding governance, Serbia adopted the Energy Development Strategy until 2040, with projections to 2050, outlining a pathway toward climate neutrality through decarbonisation measures and Just Transition action plan. The report also identified a need for strengthening institutional and administrative capacities for renewable energy and energy efficiency. In **Chapter 27, environment and climate change** the situation remains similar to the one presented in the previous EU Progress Reports. This chapter remains one of the most complex ones. Areas of horizontal legislation, chemicals have high level of alignment with the EU acquis, while waste management remains with a good level of alignment with the EU *acquis*. Significant progress was achieved in the area of hazard risk management. In the field of air quality, high level of alignment with the EU acquis is recognised, with adoption of a new Law on air protection and local air quality plans. Serbia continued to replace inefficient and polluting boilers in public buildings across the country. On the other hand, areas of water, nature, industrial pollution are partially aligned. Some level of preparedness is recognised in the area of climate change, but enforcement is at an early stage, with limited progress achieved. Implementation of Monitoring Reporting Verification and Accreditation (MRVA) *acquis* with continuous trainings on carbon pricing and GHG applications for relevant stakeholders and operational greenhouse gas registry has been resulted in 93 permits issued.

Therefore, there is a need to accelerate the accession process, improve alignment with the requirements of the European Green Deal and support the achievements of the Sofia Declaration objectives.

The EU Progress Report shows that despite obvious progress achieved in all four chapters under Cluster 4 on the Green Agenda and Sustainable Connectivity, which was opened in December 2021, there is room for intensifying efforts and accelerating green transition processes to reach objectives and commitments from the Sofia Declaration.

Alignment with the European policy framework

The European Green Deal (EGD) and the Green Agenda for the Western Balkans (GAWB) offer a blueprint for joint action to tackle the challenges of the green transition. The Green Agenda is further shaped into regional action through the Sofia Declaration and the Action Plan for the Implementation of the Sofia Declaration on the Green Agenda for the Western Balkans 2021 – 2030 (endorsed by the Western Balkans leaders at the summit held in Slovenia, Brdo pri Kranju on 6th of October 2021). The international climate change policy and increasing ambitions towards decarbonisation led by the European Union (EU) and articulated in the European Green Deal, increase the interest and need for Serbia to embark on a green transition and focus on climate change. The decision to introduce the Carbon Border Adjustment Mechanism (CABM) for six sectors of the economy in a transitional period with mandatory reporting obligations for companies, as well as discussions on introducing a carbon tax and the planned deadline for transposing the Emission Trading System (ETS) Directive or developing a similar carbon pricing mechanism in 2025, can hurt the Serbian economy in case the use of fossil fuels is not significantly decreased.

In parallel with the growing interest in these topics and raised awareness among the population in Serbia, the energy transition process, and efforts to protect the environment and properly address climate threats, became a priority of the Government. Therefore, during the last couple of years, the Government achieved important results in improving the legislative framework in all areas embraced by the Green Agenda. The Law on Climate Change adopted in 2021 brings more stringent requirements to reduce emissions. The Law on Renewable Energy, the amended Law on Energy Efficiency and Rational Use of Energy, the Law on Energy, as well as the Law on Mining and Geological Explorations, represent a package of legislative acts adopted during 2021. These legal acts provide a framework for the acceleration of energy transition. Also, in July 2024 the Serbian Government adopted the Integrated National Energy and Climate Plan (NECP) for the period until 2030, with projections extending to 2050. This plan aims to significantly boost the share of renewable energy in the country's electricity mix, targeting 45% from renewable sources by 2030. Not less importantly, in July 2024 Serbia also adopted the "Energy Sector Development Strategy of the Republic of Serbia up to 2040 with Projections up to 2050". On the other hand, the Climate Law sets the legal framework for further action in reducing greenhouse gas (GHG) emissions and adapting to climate change, which is one of the EU's five strategic goals (defined in EGD). Therefore, it sets a basis for a green and circular economy transition. Serbia is currently revising its Nationally Determined Contribution (NDC) with the aim to further increase its climate ambition by 2035 from the current target of 33.3% of GHG emission reduction by 2030 compared to 1990 emission levels. The policy and legal framework

development continued throughout 2024. The Project supported the development of the national Environmental Protection Strategy-Green Agenda which is in its final stage of interministerial consultations. With project support, the Ministry prepared a draft Law on Air Quality. The Project also initiated the preparation of the Law on Nature Protection and the Law on Integrated Pollution Prevention and Control which should further contribute to the EU alignment process.

The green transition requires a cross-sectoral approach and broad societal participation in order to trigger transformative change. In line with this ambition, the Project is designed to build broad engagement and participation in the Green Agenda implementation. The ultimate beneficiaries of the Project are the citizens of Serbia, but also indirectly the Western Balkans region and neighbouring EU Member States (MS), creating better living and environmental conditions. The Project is also designed to contribute to a broader development agenda, including the EU Growth Plan for the Western Balkans by supporting green and inclusive economic transformation.

The EU for Green Agenda Project and its support to the alignment process and green transition in Serbia

Also, the proposed activities under this Project reflect the understanding of the partners in the implementation of the Green Agenda in Serbia that bringing about the change requires a “critical mass” of activities implemented simultaneously in various sectors and at different levels. Only in this way, a cross-sectoral integrated approach can be implemented leading to a significant contribution to the country’s green transition and accession tasks. Such an approach would also significantly support Serbia’s EU accession agenda.

The overall objective of the Project is to contribute to the efficient, inclusive, and sustainable implementation of the Green Agenda in Serbia, in line with the EU accession priorities and Sofia Declaration on the Green Agenda for the Western Balkans (hereinafter: the Sofia Declaration). The implementation report covers the one-year period from 01st January till 31st December 2024 and presents all activities performed by the Project as well as the impact the Project achieved.

UNDP, in partnership with Sweden and the European Investment Bank, implements the IPA project “EU for Green Agenda in Serbia”, funded by the EU and with indicated co-financing of the Government of Serbia. The above partners implement this project in complementarity with the activities funded by the Government of Switzerland (through SDC and SECO) that also contribute to the implementation of the Green Agenda in Serbia. In addition, UNDP is implementing the project “EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience” funded by the Government of Sweden.

This partnership represents a unique platform for cooperation and acceleration of the green transition in Serbia, complemented by partnering with various other organizations including civil society organizations active in the areas of Green Agenda. Therefore, the Project cooperates closely with other Projects (such as the Industrial Emission Directive (EID) Project financed by

the government of Sweden, and projects implemented by NGOs) in order to ensure maximisation of effects and avoid overlapping. The established synergy between the Project and other organizations facilitates and accelerates the green transition in the country.

The project is in line with the UNDP Strategic Plan (2022-2025) and with the UNDP Country Programme Document (CPD) for the period 2021-2025, supporting the achievement of CPD Outputs: 3.1 Climate change mitigation and adaptation measures designed and implemented, and climate ambition raised; 2.3: Innovation ecosystem, sustainable business, and investment improved; and 3.2: Energy efficiency and share of renewables increased.

The specific objectives of the project are:

- To improve policy and base conditions for the more efficient implementation of the Green Agenda in Serbia;
- To support pilot projects within the five priority areas (pillars) of the GAWB and promote opportunities for future scale-up financing.
- To improve the overall framework and boost green transition financing accelerating on this way the transformative processes in the country.

The Project is divided into two phases, two years long each. The First Phase covers the first two years of the implementation (2022 and 2023). The Project is designed to support the implementation of the Green Agenda in Serbia and therefore it includes the following activities necessary for ensuring a smooth and uninterrupted implementation:

A o.1 - Establishment and coordination of the Decision-Making Process, complemented with

A o.2 Action implementation including participation and coordination with stakeholders (this is fully implemented in the First Phase);

A1.1- Development of the pillar-specific Roadmaps and Green Agenda Strategy for Serbia (the process is finished, and after the interministerial consultations it is expected that the Strategy will be adopted in the first half of 2025);

A1.2 - Policy implementation support and capacity building relevant for pilot projects and scale-up, as specified in the related section of the Project Document;

A 2.1 - Preparation of mechanisms for implementation of pilot projects (which is fully implemented in the First Phase by establishing the Challenge Call mechanism);

A 2.2 - Selection of pilot projects (the process started in the First Phase and continued during the whole of 2024. In 2025 it will be slightly transformed in order to focus on scalable projects and the bank sector support).

A 2.3 - Implementation of pilot projects, as specified in the related section of the project document (this is done in cooperation with selected "Responsible Parties" - organizations which implement their innovative green initiatives supported by the Project);

A 3.1 - Promotion, awareness raising and policy dialogue, as specified in the related section of the project document;

A 3.2 - Support provided in the development of conditions and technical assistance for future scale-up projects (this activity is initiated in the First Phase, but the core of the workload is in 2024 and will continue throughout 2025).

A 3.3 - Development of project initiatives and alignment with potential EIB financing (this activity will be implemented by the European Investment Bank (EIB) as a Project Partner).

The Project's implementation is organized through 5 pillars, to mirror the structure and in accordance with the five priority areas of the GAWB. These pillars are: 1. Decarbonization; 2. Circular Economy; 3. Depollution (focusing on air quality); 4. Nature and biodiversity protection; and 5. Sustainable agriculture and rural development.

The overall budget of the project:

Budget source	Amount (€)	Amount in (\$)
European Commission	7,200,000	7,886,090 ^[1]
SECO	2,028,889	2,222,222
SDC	4,478,773	4,905,556
Government of Sweden	1,916,139	2,098,728
Government of Serbia-MEP	754,138	826,000
Government of Serbia-MAFWM	17,142	18,775
Government of Slovak Republic	182,600	200,000
UNDP	273,900	300,000
TOTAL:	16,851,581	18,457,371

^[1] The exchange rate for the reporting period is \$/€ = 0.913

2.2. Actual Results and Activities

In the reporting period, the Project **significantly improved policy and legal framework and strengthened technical capacities** of the Serbian environmental protection system at the national level (the Ministry of Environmental Protection - MEP, and the Serbian Environmental Protection Agency – SEPA) through trainings organized throughout the year. Also, at the local level, the Project contributed to the efficient, inclusive, and sustainable implementation of the Green Agenda for the Western Balkans through support in the implementation of local planning

documents and implementation of concrete measures for local air quality and waste management improvement.

The Project continued to efficiently use **public call for projects** (the so-called Challenge Call) as a mechanism for the identification, selection and support (both technical and financial) of **innovative green projects**, which enable and/or accelerate the green transition in Serbia. The Project also continued to provide **technical** assistance to potential beneficiaries in the form of “accelerator” and co-financing grants to the most mature projects with the highest environmental, social and economic benefits.

Also, the Project intensified activities related to **scaling up green investments**. At the beginning of 2024, the Project developed a Study on scaling-up potentials and mapping relevant actors and potential green financing partners. In the second part of 2024, in coordination with EIB the Project initiated concrete scale-up activities including expert assistance to potentially bankable projects to access the green lending market .

As part of the ongoing efforts to support the green transition of Serbia’s economy, **in April 2025 the Project launched two complementary public calls to scale up green investments**. The first, an **Expression of Interest (EOI)**, was directed at commercial banks and leasing companies interested in co-financing technically mature, bankable green projects proposed by public and private companies. These projects were expected to be financed through a combination of company equity, UNDP grants, and commercial loans. The second, a **Public Call for Scale-up of Green Investment Projects**, is aimed at public and private companies, including SMEs, and supports green investments aligned with the five pillars of the Green Agenda. It provides both technical and financial support—through grants of up to 20% of the investment value—for innovative and non-innovative bankable projects, as well as those requiring detailed energy audits. Together, these calls were designed to mobilize green financing and facilitate the implementation of sustainable investments through blended financial mechanisms. As a result of the public calls, six banks and two leasing companies expressed interest in supporting green investments and 36 project proposals were submitted, out of which 23 were approved for Acceleration. Six mature and bankable green investment projects, from the accelerator were approved for co-financing, while 4 PBPA were signed in December 2025 with loans contracted from participating banks.

In total, in the period 2022-end 2025, out of 460 public and private green investment proposals, “EU for Green Agenda” project provided technical support to more than 220 investment proposals and co-financed the implementation of 94 green investments with a total value of 56.4 million USD, co-funding in the amount of 6.9 million USD provided by the European Union and the Governments of Switzerland, Sweden, and Serbia, including 13 million USD in commercial loans by blending grants with companies’ own resources and commercial financing.

In January 2025, in order to support scaling biomethane and geothermal potential in Serbia, UNDP published **report on Biomethane production in Serbia – GAP analysis of policies, potentials, supply, infrastructure and market trends**, for assessment of options for strengthening and developing biomethane production and replacing natural gas with biomethane, as well as **Report on Geothermal Availability of the Locations in Serbia** from the Aspect of Utilization of "Geothermal Waste-Discharge Waters" (for Energy Purposes)". In August 2025, UNDP contracted **Technical Assistance for Advancing Biomethane Policy, Regulation, and Sustainable Market Development in Serbia** to support the development of a comprehensive legal, institutional, and financial framework for the integration of biomethane into Serbia's energy system, aligned with EU directives and national climate and energy goals.

Key project results in the reporting period:

Development of the pillar-specific Roadmaps and the Green Agenda Strategy

- The project made significant strides in supporting Serbia's overarching policy document. A major milestone was the finalization of the Environmental Protection Strategy – Green Agenda, with an Action Plan and Strategic Environmental Assessment, which was on public consultation in January 2025. Upon finalization of public consultation, the Strategy with Action Plan and SEA were sent to other Governmental institutions for the interministerial consultations process. After establishment of the new government in April 2025, the process of interministerial consultations was repeated. The Strategy with Action Plan and SEA for 2025-2033 period was finalised in line with opinions from all institutions.
- In 2025, the project developed draft Program for Industrial Safety for the period 2026-2035 with Action Plan and Strategic Environmental Assessment. Three meetings of the working group were organized to develop draft Program, Action Plan and SEA, and two rounds of e-consultation were held in June and in August 2025. The project also supported public consultation process in November-December 2025, with public presentation of the Program held on 27th November 2025.

Policy implementation support and capacity building relevant for pilot projects and scale-up

- The Project provided technical support for MEP and SEPA for quality assurance of GHG applications and monitoring plans submitted by the ETS operators and contributed to the issuance of 95 GHG permits. The project supported organisation of 2 trainings related to GHG monitoring and reporting for ETS operators (district heating facilities) and Environmental Inspection, and workshop for Climate Change Department, to support planning of implementation of ETS related measures.
- In coordination with the MEP and "IED Project", the project continued supporting the process of preparation of applications for integrated (IPPC) permits. In the previous period project prepared 11 IPPC applications in total, while in 2025 the Project identified an additional IPPC operator to prepare integrated permit application.

- The Project supported transposition of the IED, prepared the baseline document for the new IPPC Law, draft IPPC Law, Tables of concordance, Justification and Analysis of effects of measures for the draft IPPC Law. The project facilitated organisation of the 3 working group meetings and 2 workshops for the development of the new IPPC Law. The project supported process of e-consultations of draft IPPC Law in December 2025.
- In 2025 the project supported the Municipality of Topola in identifying options for integrated sludge from wastewater treatment facilities and bio-waste management.
- During the reporting period, the project supported three cities/municipalities—Topola, Lapovo, and Raška—in integrating circular economy (CE) principles into their local waste management plans, in alignment with the national CE framework and informed by best practices from EU Member States.
- The Project provided expert assistance to the Ministry of Environmental Protection in drafting the Law on Air Protection. The Law entered into parliamentary procedure in the end of May 2025. The Law was adopted in June 2025 and officially translated to English.
- The Project provided regulatory support in the field of nature protection, through the contribution of the Government of Sweden. Project team engaged international and national experts for the development of the Law on Nature Protection in the second half of 2025. The *ex-post* regulatory impact analysis was completed in 2024 for the existing Law on Nature Protection and it shall complement the drafting process. The Project developed the draft provisions of the Decree on Appropriate Assessment and have produced an accompanying report. The Decree was presented to the MEP in November 2025.
- As required by the MEP, the project has supported development of the Financial assessment of the Action plan for fulfilment of the benchmarks for closing negotiation Chapter 27; development of the Financial Effects Assessment of the new Regulation on the list of projects for which an EIA is mandatory, development of the draft Action plan for Eradication of Illegal Killing of Birds. Also, the project organized 10 IPPC workshops / trainings for IPPC operators and competent authorities in the period 2023-2025 as additionally required action.

Preparation of mechanisms for implementation of pilot projects

- The Project concluded with the open-ended Challenge Call (launched in February 2023) in April 2025 for all five Green Agenda pillars. Also, the project continued with the independent evaluation of the project ideas received until closing date, and will continue to accelerate them at later date.

Selection of pilot projects

- During the reporting period project identified two of the most mature pilot initiatives from 2024 Accelerator, that received co-financing for implementation through PBPA's, as well as six scale-up projects that include different sources of financing, such as own funds, bank loans, and grants from the Green Agenda project.

Implementation of pilot projects

- The total investment value of supported projects is €47.77 mil. (\$56.4 mil.) Segregated per donors for the all supported initiatives (pilot and scale-up) in the entire implementation period, the Project provided:
 - 2,830,354.55 (\$3,341,622.85) for 50 projects from the EU budget contribution.
 - €1,606,408.95 (\$1,896,586.72) for 27 projects from the Swiss Development Cooperation (SDC) budget contribution.
 - €936,951.40 (\$1,106,200) for 10 projects from the Swiss Economic Cooperation and Development (SECO) budget contribution.
 - €503,147.65 (\$594,035) for 7 projects from the Swedish International Development Cooperation Agency (SIDA) budget contribution.
- For pilot projects, in total, the Project provided:
 - €2,138,152 (\$2,524,382.85) for 43 projects from the EU budget contribution.
 - €930,479.24 (\$1,098,558.72) for 22 projects from the Swiss Development Cooperation (SDC) budget contribution.
 - €413,674.80 (\$488,400) for 5 projects from the Swiss Economic Cooperation and Development (SECO) budget contribution.
 - €503,147.65 (\$594,035) for 7 projects from the Swedish International Development Cooperation Agency (SIDA) budget contribution.
- For scale-up projects that combine different funding options, including commercial loans, the Project provided additional support for scaling up pilot initiatives in the following amounts. In total, the Project provided:
 - €756,764 (\$817,240) for 7 projects from the EUD budget,
 - €530,072.4 (\$617,800) for 5 projects from the SECO budget, and
 - €684,708.02 (\$798,028) for 5 projects from the SDC budget.
- In addition to this, the Project Team continued with previously developed methodology for monitoring the impact of implemented pilot projects. This methodology includes two sets of indicators, defined for each project. Indicators are technical: CO₂ emissions, reduction of air pollutants, installed capacities for the production of energy from renewable sources, energy savings achieved, etc.) and social (number of projects staff engaged, number of persons trained, number of green jobs created, etc.).

- Six Performance-Based Payment Agreement projects selected as a part of the Challenge Call for Innovative Solutions for the Protection, Preservation and Revitalization of Wetland Habitats were implemented in 2025, with four being fully completed. The total co-financing for these projects amounts to \$516,035.00, funded through Swedish contribution to Pillar 4 "EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience.
- Five projects received financial support in 2025 after being selected through the Second Challenge Call for Proposals for Civil Society Organizations for Improving Natural Values in Protected Areas (13 CSO projects were supported in the first round in 2023). All five project completed implementation by the end of 2025.
- The Project published the Third Open Call to Local Government Units for Co-financing of Air Protection Measures in April 2025. Nine applications were received and two projects were supported.

Support provided in the development of conditions and technical assistance for future scale-up projects

- The project continued an in-depth analysis to identify projects with strong potential for bankability or replication, aiming to enhance access to green financing. As part of this effort, numerous meetings were held with responsible parties implementing bankable projects (private and public companies) and commercial banks to explore options or mechanisms for preferential green loans tailored to support sustainable initiatives. Financial consultants engaged by the Project facilitated these meetings focusing on defining criteria, financial structures, and potential incentives that would make green investments more attractive to both, lenders and borrowers.
- The project developed a new financial model aimed at accelerating green investments and supporting the transition of companies in Serbia toward more sustainable and environmentally responsible operations. In April 2025, the Project launched two new complementary public calls aimed at scaling up green investments. The first, an Expression of Interest (EOI), was directed at commercial banks and leasing companies interested in co-financing technically mature, bankable green projects proposed by public and private companies. These projects were expected to be financed through a combination of company equity, UNDP grants, and commercial loans. The second call, the Public Call for Scale-up of Green Investment Projects, targeted public and private companies, including SMEs, and supports green investments aligned with the five pillars of the Green Agenda. It provides both technical and financial support, through grants of up to 20% of the investment value for innovative and non-innovative bankable projects, as well as for projects requiring detailed energy audits. Together, these calls were designed to mobilize green financing and facilitate the implementation of sustainable investments through blended financial mechanisms. As a result, six banks and two leasing companies expressed interest in supporting

green investments, together with 36 project proposals submitted by public and private companies.

- Six mature green investment projects were approved for co-financing by end 2025, and 4 PBPA's were signed in December 2025, with loans contracted from participating banks. In total, currently 17 scale-up projects are under implementation. These projects combine different funding options, including commercial loans, the Project provided additional support for scaling up pilot initiatives in the following amounts:
 - €756,764 (\$817,240) for 7 projects from the EUD budget,
 - €530,072.4 (\$617,800) for 5 projects from the SECO budget, and
 - €684,708.02 (\$798,028) for 5 projects from the SDC budget.

In 2025, a preliminary "walk-through" energy audit and technical support for investment appraisal were finalized for university buildings in Belgrade and Novi Sad, Serbia, with the aim of preparing investment appraisal for energy renovation of university buildings in Serbia.

- University of Belgrade: The assessment covered 167 buildings with a total surface area of 560,000 m². The estimated investment required to achieve a primary energy consumption of less than 100 kWh/m² per year is EUR 208.52 million, corresponding to EUR 370/m².
- University of Novi Sad: The assessment included 33 buildings, totalling 195,627 m². The estimated investment to reach the same energy performance target is EUR 56.5 million, or EUR 295/m².

Scaling up biogas investments by promoting Biomethane production

- In January 2025 the Project published report on Biomethane production in Serbia – GAP analysis of policies, potentials, supply, infrastructure and market trends, for assessment of options for strengthening and developing biomethane production and replacing natural gas with biomethane. In August 2025, UNDP contracted Technical Assistance for Advancing Biomethane Policy, Regulation, and Sustainable Market Development in Serbia to support the development of a comprehensive legal, institutional, and financial framework for the integration of biomethane into Serbia's energy system, aligned with EU directives and national climate and energy goals

Scaling up geothermal potential in Serbia

- In January 2025 the Project published "Report on Geothermal Availability of the Locations in Serbia from the Aspect of Utilization of "Geothermal Waste-Discharge Waters" (for Energy Purposes)". Study showed that Serbia's geothermal heat flow density surpasses that of other European countries. Serbia has great potential, yet extremely low application of geothermal resource utilization, particularly in the exploitation of geothermal wastewater. The estimated power of all operational geothermal phenomena and facilities (wells) in Serbia is about 370 MW, of which only about 80 MW is currently being utilized.
- The project organized National Conference on Air Quality on 28 May 2025, titled "Geothermal energy in the service of improving air quality and decarbonization", in

synergy with “Geothermal Energy in Serbia” project financed by the Ministry of Finance of Slovak Republic and implemented by UNDP Serbia. The Call for LSGs’ expressions of interest for introducing geothermal energy into their energy mix was launched at this event. 14 public institutions submitted their applications, and project supported two (Public utility company "Novosadska toplana" Novi Sad and Raška Municipality).

- In June 2025, the project held the second stakeholder dialogue as a networking workshop in the National Park Tara, focusing on financing biodiversity conservation and involving the private sector. The participants had the opportunity to directly interact and exchange ideas on scaling up existing projects and financially supporting new nature conservation ideas.

Promotion, awareness raising and policy dialogue

- The Project team organised the IFI conference "Boosting Green Transition Financing – Opportunities and Barriers" on January 24th 2025, collaborating closely with the EIB and the Association of Serbian Banks. Serbia’s Climate Talks – annual conference organized by the Ministry of Environmental Protection and UNDP, was held in October 2025, gathering all relevant stakeholders to discuss Serbia's climate ambition, achieved results, and planned climate actions ahead of COP30 .
- The project supported marking of World Environment Day (5 June), within the EU Green Week in cooperation with the EU Delegation in Serbia and the European House in Belgrade, marking of EU Mobility Week in cooperation with the EU Delegation in Serbia and European House in Belgrade in September 2025, as well as marking of the EU Green Diplomacy Week, in cooperation with the EU Delegation in Serbia and European House in Belgrade in November 2025. Also, the project supported launch of the fourth cycle of the contest for sustainable cities "Eko-opština" ("Eco Municipality") by the French Embassy in Serbia and partners (March);
- The project organised 2 high-level field visits to implemented projects: "Gralo", Divci - Swiss-supported solution - the 1st circular rural tourism & agricultural estate in Serbia (in June 2025) and to SILBO, Šimanovci – EU-supported solution for improving air quality based on an innovative CO₂ cooling system (December)

2.3. Achieved against planned indicators from the updated log-frame matrix

EXPECTED OUTPUTS	Output Indicators	Data Source	Baseline		TARGETS (by frequency of data collection)									
			Value	Year	Target (year 1)		Target (year 2)		Target (year 3)		Target (year 4)		ACHIEVEMENTS	DATA COLLECTION METHODS & RISKS
Impact (Overall objective) To contribute to efficient, inclusive and sustainable implementation of the Green Agenda in Serbia	National strategies consistent with the Green Agenda; investment environment enabled with secured financing and successfully piloted replicable projects. 'Good progress'	EU Progress report Government and Ministry's annual reports Energy Community reports NPAA assessment report	"Limited progress" reported for Chapter 15 for 2020 "Limited progress"	2021	EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Chapter 15 of the Serbia 2025 Report states that Serbia is moderately prepared in the energy sector . Some progress has been made with the adoption of the National Energy and Climate Plan (NECP) but yet, the country failed to comply with the Energy Community RES target by 2030. On renewable energy sources (RES), Serbia made good	Collection method: Review/analysis of relevant reports

2021/429-150

01 January 2025 – 31 December 2025

	mark awarded in EU progress report for Serbia in chapter 5 due to progress in mainstreaming Green Public Procurement, chapter 15 due to progress in renewable energy investment and investments into energy efficiency and 27 due to progress in national environmental and climate policies update and implementation Increased Government's absorption capacities for accompanying Economic and Investment Plan	MIFP and DSIPs implementation assessment (Ch27)	ess'' report ed for Chapt er 27 for 2020		'Good progress'' reported for Chapter 15 for year 1 ''Good progress'' reported for chapter 27 for year 1		'Good progress'' reported for Chapter 15 for year 2 ''Good progress'' reported for chapter 27 for year 2		'Good progress'' reported for Chapter 15 for year 3 ''Good progress'' reported for chapter 27 for year 3		'Good progress'' reported for Chapter 15 for year 4 ''Good progress'' reported for chapter 27 for year 4		progress in the implementation of support schemes promoting RES and continued to align with the EU acquis on energy efficiency. Chapter 27 of the Serbia 2025 Report states that Serbia has achieved some level of preparation in the area of environment and climate change. Good progress was made, namely on waste management legislation, integrated permits for industrial pollution control, the adoption of the Climate Change Adaptation Program and the National Energy and Climate Plan (NECP).	
SO1 To improve	Number of institutions,	Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Increased capacities of more than 400	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

framework and base-conditions for more efficient implementation of Green Agenda in Serbia	public and private sector entities better prepared for implementation of Green Agenda priority areas	ation progress reports Reports of beneficiary entities			20	10	20	10	25	10	25	20	institutions and entities for the implementation of the Green Agenda: 1.2 - MEP and SEPA actively participated in all Project activities and many trainings. 2.2 – Ministry of Energy and Ministry of Agriculture. 3.44 - institutions actively participated as members of the Working Group for the Development of the Strategy. 4.217 - institutions as part of the acceleration process. 5.35 - LSGs supported for air quality management and waste management. 6.13 – NGOs supported to implement small-scale nature protection measures. 7. 65 - IPPC operators participated in the IPPC training sessions. 8. 97 - ETS operators participated in ETS and MRV training sessions.	Review/analysis of relevant reports Insufficient interest for participation by potential beneficiaries
	Number of individuals with increased competencies for implementation of Green Agenda priority areas		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	More than 4.500 participants attended workshops and public events organized by the Project and Implementing partners with approximately equal representation of men and women.	Collection method: Review/analysis of relevant reports
					100 (50% women)	100 (50% women)	250 (50% women)	100 (50% women)	250 (50% women)	150 (50% women)	250 (50% women)	150 (50% women)		

2021/429-150

01 January 2025 – 31 December 2025

SO2 To support pilot projects within the five priority areas of the Green Agenda in Serbia and promote opportunities for future scale-up financing	Number of supported pilot project interventions		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	77 innovative projects in all five areas, 18 nature protection, 9 air quality measures, and 7 wetland pilots selected/supported by the Project (a total of 100 projects). - Decarbonization: 19 (EU 11; SECO 8); - Circular Economy: 18 (EU 10; SDC 8); - Depollution: 18 (EU 14, SDC 4); - Nature Protection: 15 (EU 7, SDC 8); - Agriculture: 6 (EU 4, SDC 2); - 18 nature protection measures implemented by NGOs (EU 11, SDC 8); - 9 measures to improve air quality , by LSG(EU 5, SDC 4); - 6 wetland protection pilots (SIDA 6);	Collection method: Review/analysis of relevant reports
					15	15	15	15	25	10	25	10		
	Number of direct beneficiaries with the improved socio-economic situation due to pilot projects		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Above 9000 Counting employees and related persons benefiting from the supported projects.	Collection method: Review/analysis of relevant reports
	Potential positive scale-up effect on indirect beneficiaries) due to scale-up actions		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	To be estimated at the end of the project based on a methodology to be developed during the project.	Collection method: Review/analysis of relevant reports
					20 000 (50% women)	20 000 (50% women)	80 000 (50% women)	30 000 (50% women)	100 000 (50% women)	50 000 (50% women)	50 000 (50% women)	50 000 (50% women)		

2021/429-150

01 January 2025 – 31 December 2025

Component 1: GET STARTED – Creation of Framework Conditions														
Green Agenda pillar specific Roadmaps developed	Number of developed roadmaps	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	6 Roadmaps have been developed by the Project. 5 Chapters for the implementation of the Environmental Protection Strategy / Green Agenda are developed (drafted), and 1 additional Chapter for horizontal objectives of the Strategy.	Collection method: Review/analysis of relevant reports
					3	N/A	2	N/A	0		0			
National Environmental Strategy: Green Agenda for Serbia developed	Number of developed strategies	Action implementation progress reports Report of the MoEP	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Proposal of the Environmental Protection Strategy – Green Agenda with Action Plan and SEA is finalised. Based on the Strategy, Draft Program for Industrial Safety with Action Plan and SEA is developed	Collection method: Review/analysis of relevant reports
					0	0	1	1	1	0	0	0		
EU ETS operators and public and private entities from non-ETS sectors assisted in identification of best technologies for lowering their carbon intensity, GHG monitoring plans and GHG emission reports preparation and in application for the GHG permit	Number of operators supported	Action implementation progress reports Reports of the Ministry of Environmental Protection and Serbia Environmental Protection Agency	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	97 ETS operators trained through eight trainings (1 training in 2022, 2 trainings in 2023, 3 trainings in 2024 and 2 trainings in 2025) on climate change legislation, MRVA system, GHG permitting procedure, GHG monitoring plans and functionalities of e-GHG platform.	Collection method: Review/analysis of relevant reports
					10	10	10	10	10	0	0	0		

2021/429-150

01 January 2025 – 31 December 2025

MEP and SPEA staff members trained in quality assurance and control and monitoring plans & reports as part of GHG emission permitting	Number of trained staff	Action implementation progress reports Report of the Ministry of Environmental Protection	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	13 MEP and SEPA staff and 15 Environmental Inspectors are trained through 8 trainings on climate change legislation, MRVA system, GHG permitting procedure, GHG monitoring plans and functionalities of e-GHG platform.	Collection method: Review/analysis of relevant reports
					10	0	0	0	0	10	0	0		
Low-carbon development strategies for local self-governments developed	Number of local low- carbon development strategies	Action implementation progress reports Reports of the concerned local self-governments	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 national Low Carbon Development Strategy prepared and adopted, as MEP required. Local low-carbon development strategies were declared by the MEP as not priority. Instead, IT tool for MRV GHG system- e-GHG platform was developed.	Collection method: Review/analysis of relevant reports
					2	0	3	3	0	2	0	0		
MEP staff trained in planning and implementation of EU ETS or equivalent measures	Number of trained staff	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	13 MEP and SEPA staff members and 15 environmental inspectors are trained for MRV system in line with the ETS framework requirements.	Collection method: Review/analysis of relevant reports
					3	3	2	2	0	0	0	0		
Regulatory acts aligning the national EE policy and national RE policy with EU norms developed or amended	Number of regulatory acts amended	Action implementation progress reports Reports of the concerned local self-	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	2 regulatory acts are developed aligning the national EE policy as per the request of the Ministry of Mining and Energy. Report "Biomethane Production in Serbia – GAP Analysis of Policies, Potentials, Supply, Infrastructure	Collection method: Review/analysis of relevant reports
					1	0	1	1	0		0			

2021/429-150

01 January 2025 – 31 December 2025

		governments											and Market Trends” developed to assess options for strengthening and developing biomethane production and replacing natural gas with biomethane. Report “Geothermal Availability of the Locations in Serbia from the Aspect of Utilization of “Geothermal Waste-Discharge Waters” (for Energy Purposes) developed.	
Rules and procedures developed to support operation of the future EE Directorate	Rules and procedures developed				EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	2 technical assessments of the EE procedures developed to support operation of the future EE Directorate (legal and technical support in different fields (civil engineering, architecture, mechanical, electro engineering, EE) in the implementation of energy efficiency improvement projects of public buildings in cooperation with local self-government units and city municipalities) and 1 analysis of legal framework for ESCO financing of energy retrofit of public buildings developed.	Collection method: Review/analysis of relevant reports
					1	0	0	1	0	1	0	0		

2021/429-150

01 January 2025 – 31 December 2025

Designated public services receive energy management system and training, pre new energy efficiency law (hospitals, services...)	Number of public services with received energy management system	Action implementation progress reports Report of the Ministry of Mining and Energy Management Information System	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Public entities received training and the Project Team entered data for more than 150 entities in the Energy Management Information System (EMIS)	Collection method: Review/analysis of relevant reports
					50	0	50	0	0	50	0	0		
Detailed energy audits for selected public buildings identified and supported and ESCO model developed	Number of detailed energy audits developed		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	“Walk-through” analysis of the university buildings in Belgrade (167 buildings covering area of 560.000m2) and Novi Sad (33 buildings covering area of 195.627m2) in Serbia developed	Collection method: Review/analysis of relevant reports
					0	0	0	0	10	0	10	20		
Regulatory acts amended with EU integrated permitting related requirements, focusing on IED and ETS requirements interaction	Number of amended regulatory acts	Action implementation progress reports Report of the Ministry of Environmental Protection	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Rulebook on Monitoring and Reporting prepared and adopted, 1 BUR and 3NC revised and adopted , Developed documents for the new IPPC Law: Baseline document, Draft IPPC law, Analysis of effects, Table of Concordance Justification	Collection method: Review/analysis of relevant reports
					1	1	1	1	0	2	0	0		
Guidance document		Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 Roadmap for Decarbonization of the	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

developed for greening of the public and private companies and industries falling under EU ETS and/or IED	Guidance document developed	ation progress reports Report of the Ministry of Environmental Protection			0	0	1	1	0	1	0	1	industry – example of companies for the production of mineral fertilizers and phosphoric acid (Elixir) 2 Option analysis for using the industrial Wastewater Sludge (AIK Backa Topola) 3 Study on decarbonization based on energy audit of the ETS operator (company Impol Seval, metal processing industry) 4 Study on biogas utilisation from wastewater sludge , for ETS/IPPC operator cardboard mill Umka	Review/analysis of relevant reports
IPPC/IED operators supported and trained to prepare IPPC permit applications (focusing on GHG emissions).	Number of operators supported and trained	Action implementation progress reports Report of the Ministry of Environmental Protection	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	85 IPPC operators trained during eleven IPPC trainings involving 736 participants including IPPC operators In addition, 12 IPPC operators are supported in developing applications for IPPC permits	Collection method: Review/analysis of relevant reports
Regulatory act amended/devel		Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss		Collection method:

2021/429-150

01 January 2025 – 31 December 2025

oped (potentially, developing New Waste Management Law) to accommodate requirements of the EU Circular Economy package	Number of amended regulatory acts	ation progress reports Report of the Ministry of Environme ntal Protection			0	0	1	1	0	1	0	0	6 regulatory acts are amended and/or developed : Waste Management Law - amended (2023), Sludge Management Programme -adopted (2023), Construction and Demolition Waste Regulation- adopted (2023). Rulebook on the Use of Waste for R&D Purposes -adopted (Dec 2023), Rulebook on End of Waste Status Registration - adopted (2024), Rulebook on By- product Registration - adopted (2024).	Review/analysis of relevant reports
Capacity building workshops implemented to support implementation of the circular economy elements of new Industrial Policy Strategy of Serbia in collaboration with the Chamber of Commerce and Industry	Number of workshops	Action implement ation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	The Project organized 8 workshops. End-of-Waste Intro Workshops on 17 May 2023; Circular Economy Summit, 16 June 2023; Regional Scientific Conference on Green Agenda: Circular Economy Panel, 21 June 2023 BalkansGoCircular, 23 November 2023. End-of-Waste Interactive Workshop, 18 December 2023; World Circular Economy Forum, in May 2023, World Circular Economy Forum, in May 2024, Eco Label	Collection method: Review/analysis of relevant reports
					1	0	2	2	1	2	0	0		

2021/429-150

01 January 2025 – 31 December 2025

													Workshop, on 10 October 2024.	
Circular economy requirements integrated within local waste management plans at municipal level	Number of local waste management plans improved with circular economy requirements.	Action implementation progress reports Reports of the concerned local self-governments	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Recommendations developed for 10 cities/municipalities for integration of CE in local waste management plans, namely: Kragujevac, Subotica, Pančevo, Novi Pazar, Sombor, Bujanovac, Medveđa, Topola, Lapovo and Raska	Collection method: Review/analysis of relevant reports
					2	0	2	3	1	2	0	0		
Cities/municipalities with wastewater treatment facilities supported in identification of interlink between sludge and bio-waste management	Number of cities/municipalities with identified solutions for sludge and bio-waste management	Action implementation progress reports Reports of the concerned local self-governments	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	4 cities/municipalities supported. Recommendations for interlink between sludge and bio-waste management developed for 4 cities/municipalities, namely: Subotica, Leskovac, Raška and Topola.	Collection method: Review/analysis of relevant reports
					1	1	1	1	0		0			
Recommendations developed	Number of improved	Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 regulatory act (Law on Air Quality) developed,	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

for further improvements of regulatory acts on air quality	regulatory acts on air quality	ation progress reports Report of the Ministry of Environmental Protection			0	0	1	0	0	1	0	0	and adopted in June 2025 . 1 ex-post and 1 ex-ante regulatory impact analysis prepared for the new Law on Air Protection , with recommendations for development of bylaws 1 Recommendations for the content of the local Air Quality Plans and Short-term Action Plans , to be included in the regulatory acts, prepared (as apart of the development of the developed Guidance for local Air Quality Planning)	Review/analysis of relevant reports
Tailor-made training module on participatory air quality planning and short-term plan development prepared and representatives of LSGs trained	Number of representatives of LSGs trained	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	A total of 157 representatives of LSGs trained in air quality planning. 77 representatives of LSG in 2022 and 80 in 2023	Collection method: Review/analysis of relevant reports
					20	0	20	25	10	25	0	0		
Local Air Quality Plans and/or		Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	15 plans in total. Kraljevo (improved AQP	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

short-term action plans developed or improved	Number of developed or improved plans	ation progress reports Reports (incl. local Air Quality Plans) of the concerned local self-governments			5	0	5	5	5	5	0	0	adopted in 2023); Pančevo (improved AQP with ShAP adopted in 2023); Bor (improved AQP adopted in 2024); Zaječar (new AQP and StAP adopted in 2024); Užice (improved AQP and developed StAP, submitted to MEP for approval in September 2024); Paracin (developed AQP with, held public consultations in 2024); Novi Pazar (developed AQP with held public consultations in 2024); Sombor (new AQP approved by the Ministry in December 2025); Subotica (new AQP with ShAP drafted); Beočin (improved StAP drafted); Surdilica (new ShAP drafted)	Review/analysis of relevant reports
Inclusive policy dialogue on air pollution initiated and annual conferences held	Number of annual conferences supporting inclusive policy dialogue	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 conference on air quality organized in 2022, 1 conference organized in 2023 and 1 conference in 2025.	Collection method: Review/analysis of relevant reports
Regional cooperation on air quality management promoted	Number of workshops organized	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 workshop is organized in 2023. The project team conducted all preparatory work for three regional webinars	Collection method: Review/analysis of relevant reports

2021/429-150

01 January 2025 – 31 December 2025

through workshops		Workshop reports											that were supposed to be conducted in November 2026. They experienced postponements primarily due to scheduling conflicts among key stakeholders and participants (coming from several countries). Therefore, the webinars are envisaged to be conducted by the end of 2026.	
Abandoned agricultural land plots suitable for afforestation identified	Number of identified hectares of land plots	Action implementation progress reports Reports of the Land Management Directorate (MAFWM)	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Completed 555.70 ha verified through cooperation with Directorate for agricultural land, and through the development of the feasibility studies for afforestation	Collection method: Review/analysis of relevant reports
					100	0	50	0	50	0	0	100		
Pilot Forest Landscape Restoration plans developed for priority areas	Number of pilot forest landscape restoration	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	3 Forest Landscape Restoration (FRL) plans were completed in 2023 (Surcin, Novi Sad, Studenica) ² .	Collection method: Review/analysis of relevant reports

² Inaccuracy in SDC ProDoc is noted for the Target year 3 (the correct value is 0 instead of 3 (which is the total value for this indicator).

Note: 3 FLRs were supported from both projects (as financially consuming processes), and the indicators overall between the two projects. Being financially demanding, producing the FLRs as planning documents non recognized by the national planning system does not justify request for re-allocation of funds for their development.

2021/429-150

01 January 2025 – 31 December 2025

for forest landscape restoration	plans developed				1	1	1	2	1	3	0	0		
National Afforestation Body Established	National Afforestation Body Established		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Activity replaced as per the request of the Forestry Directorate (already performing the role of national afforestation body) with the assessment of the potential for sustainable development of private forests (need expressed by the Forestry Directorate) - completed	Collection method: Review/analysis of relevant reports
					1	N/A	0	N/A	0	N/A	0	N/A		
One sustainable protected area management plan elaborated for demonstration of integrated cross sectoral implementation approach	Number of management plan elaborated	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	As per the request of the MEP, the Activity was replaced by the development of the Report on the implementation of the Protected Area Management Plans (case study of National Park Tara) with recommendations for the content of the Protected Area Management Plans, to be used in Nature Protection Law	Collection method: Review/analysis of relevant reports
					0	0	1	0	0	1	0	0		

2021/429-150

01 January 2025 – 31 December 2025

													development. This alternative activity is completed.	
Development of Local Climate Change Adaptation Plans and alignment with the national system	Number of CCA plans developed	Action implementation progress report	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	As agreed with the MEP, due to further regulatory developments, this activity is abolished. Instead, the project has supported development of the Financial assessment of the Action plan for fulfilment of the benchmarks for closing negotiation Chapter 27; development of the Financial Effects Assessment of the new Regulation on the list of projects for which an EIA is mandatory and development of the draft Action plan for Eradication of Illegal Killing of Birds. In addition, the project organized 10 IPPC workshops / trainings for IPPC operators and competent authorities in the period 2023-2025 as additional action	Collection method: Review/analysis of relevant reports
					N/A	N/A	N/A	3	N/A	N/A	N/A	N/A		
Policy recommendatio		Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	3 -policy recommendations	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

ns provided for improving the legislative framework for sustainable food systems in Serbia	Set of policy recommendations provided	ation progress reports Report of the Ministry of Agriculture, Forestry and Water Management			0	0	1	0	0	1	0	1	provided. The Rulebook on controls and other measures ensuring traceability and compliance in organic production and the labelling of organic products, The Rulebook on measures applicable in case of non-compliance with organic production, The phytosanitary and veterinary policy recommendations for improvement of traceability of food products along the entire food chain as a support to policies governing official controls in Serbia	Review/analysis of relevant reports
Capacity building for rural farmers, adjacent to at least two protected areas, provided on ecologically suitable agricultural production	Number of rural farmers who received capacity-building training	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	24 Farmers received capacity building training; 119 Agricultural Extension Services staff trained on Regenerative Agriculture in cooperation with MAFWM	Collection method: Review/analysis of relevant reports
Component 2: GET PILOT ACTION – Supporting change														
Co-financing mechanism for	Number of mechanisms	Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	The project developed 3 mechanisms:	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

implementation of pilot projects developed and agreed		ation progress reports PSC meeting minutes			1	0	1	0	0	1	0	0	1. Challenge call - open-ended for all 5 pillars; 2. Open call for NGOs for Nature Protection projects; 3. Challenge Call for LSGs for Air-protection measures.	Review/analysis of relevant reports
Expert support mechanism ("acceleration support") for implementation of pilot projects developed and agreed	Number of mechanisms	Action implementation progress reports PSC meeting minutes	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	The project developed and implemented 6 rounds of accelerator for the open-ended Challenge Call and one accelerator for wetland pilots. 7 in total.	Collection method: Review/analysis of relevant reports
					1	0	1	0	0	1	0	0		
Mechanism for selection of pilot projects developed – the Innovation Challenge Calls, as well as competition for CSOs, prepared and launched	Number of Innovation Challenge Calls	Action implementation progress reports PSC meeting minutes	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	4 mechanisms for selection of pilot projects developed and implemented in 7 rounds of acceleration process (25 in total). - Innovation Solutions in the field of decarbonization of the economy and	Collection method: Review/analysis of relevant reports

2021/429-150

01 January 2025 – 31 December 2025

					8	6	0	0	0	6	0	0	depollution of the environment for the: 1) ETS operators, 2) Non-ETS sector, 3) IPPC operators -Innovative Solutions in the field of Circular Economy - Innovative Solutions for Cleaner Air - Innovative solutions in the field of forest ecosystem restoration and greening - Innovative solutions in the field of development of rural and sustainable food supply systems - Open call for expression of interest for technical support in development and/or improvement of air quality plans and/or short-term action plans on air quality protection -Open Call for civil society organizations for the improvement of natural values in protected areas - Innovative Solutions for the Protection, Preservation and Revitalization of Wetland Habitats	
Pilot projects selected	List of pilot projects	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Lists of selected pilot projects are agreed upon and approved by the Project Board continuously. More than 100 projects selected.	Collection method: Review/analysis of relevant reports
					1	1	1	0	0	1	0	0		

2021/429-150

01 January 2025 – 31 December 2025

Innovative solutions for lowering carbon intensity identified and further elaborated from operators falling under the EU ETS and entities from non-ETS sectors	Number of operators supported	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	50 (20+6+6+18) ETS and non ETS companies/organizations participated in 4 Acceleration processes	Collection method: Review/analysis of relevant reports
					10	0	5	10	5	0	0	0		
Innovative solutions of selected ETS operators and entities from non-ETS sectors implemented	Number of implemented innovative solutions	Action implementation progress reports Annual reports of beneficiary entities	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	7 ETS Implemented: HBIS, Elixir, Impol Ongoing: Wienerberger, Zorka, Toplana Nis, Umka 8 Non ETS Implemented: SCS, Master, Bojen, Sweet House Ongoing: FDU, AIK Njegosevo, Repol, Bobi Stef	Collection method: Review/analysis of relevant reports
					1	0	1	0	2	1	2	0		
Renewable energy solutions from both, public and private sector, implemented.	Number of implemented renewable energy solutions	Action implementation progress reports Annual reports of beneficiary entities	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	9 Renewable energy solutions: Implemented: Master team, SCS plus, BojEn, Sweet house Ongoing: Toplana Nis, FDU, RL Pirot, RL Subotica, Bobi Stef	Collection method: Review/analysis of relevant reports
					0	0	0	0	0	0	3	3		
Bankable investment projects in clean technologies for industries prepared	Number of prepared bankable projects	Action implementation progress reports Annual reports of beneficiary entities	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Bankable investment projects for 12 IPPC companies prepared: HBIS, Elixir, Impol Seval, AIK Backa Topola, Carnex, Papir Print, Toplana Nis, Umka, Wienerberger, Zorka, RL Subotica and RL Pirot	Collection method: Review/analysis of relevant reports
					7	0	1	3	1	7	1	0		

2021/429-150

01 January 2025 – 31 December 2025

Identified BATs implemented by selected industries	Number of industries with implemented BATs	Action implementation progress reports Annual reports of beneficiary entities	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	5 BATs implemented by IPPC companies: Implemented: HBIS, AIK Backa Topola, Carnex, Papir Print, Impol Seval, Ongoing: Toplana Nis, Umka,	Collection method: Review/analysis of relevant reports
					0	0	1	0	1	1	1	0		
Projects of public and private companies for increasing waste collection & recycling rates, identified and elaborated	Number of identified and elaborated projects	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	38 projects supported through the accelerator. Opip, Mini Yugoslavia, TSM Property, DEA Loyalty, Faculty of Technology Novi Sad, Beoflos, Faculty of Hotel Management and Tourism, All Eco APE, Maber Engineering, Gramina Hemp, Solagro Smart Recycling, Natura Tech, Savema, Recikom, Ecor Global, Agricultura household Branislav Jaric, Eko Gradnja, Omometal, Farm Milovan Ivankovic, Copper Mill Sevojno, NewPen, Jelena Miletic PR, Centar za unapređenje preduzetništva mladih (Eco-gym), Belinda animals, Connect Clean Roma Group, Voćar Bogosavac, Promobet doo, Regional Landfill Subotica, ArTech, Ekofungi Inženjering, Euromiteks Niš, MDM Solutions doo, Steel-	Collection method: Review/analysis of relevant reports
					10	0	5	5	5	10	0	0		

2021/429-150

01 January 2025 – 31 December 2025

													Impex d.o.o., EcoMet Reciklaža, Faculty of Biology, BMD BAU, EuroSpin, Omometal, RKS Kompoziti, Telespark, Mivaka, Repol, Stilles, Unipromet	
Projects of public and private entities, for increasing waste collection and recycling rates implemented	Number of implemented projects of public and private entities	Action implementation progress reports Annual reports of beneficiary entities	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	13 projects implemented. NewPen, Jelena Miletić PR, Centar za unapređenje preduzetništva mladih (Eco-gym), Belinda animals, Connect Clean Roma Group, Vočar Bogosavac, Promobet doo, ArTech Inženjering, Steel-Impex d.o.o., Faculty of Biology, RKS Kompoziti, Mivaka and Telespark	Collection method: Review/analysis of relevant reports
					0	0	Up to 5	0	Up to 5	Up to 5	Up to 5	Up to 10		
Innovative measures from the Challenge Call for reduced air pollution at the municipal level further elaborated	Number of elaborated measures	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	38 projects supported through accelerator phase Municipality of Sokobanja, Institute Mihajlo Pupin, High school Stevan Petrovic Brile, City of Uzice, Institute for nuclear sciences "Vinca", PUC Suboticka toplana, Netware doo, City of Vranje, GIS Solutions, Vucomm doo, PUC Krusevac, Special hospital "Mataruska	Collection method: Review/analysis of relevant reports

2021/429-150

01 January 2025 – 31 December 2025

					5	0	0	0	0	5	0	0	banja", Ozonway doo, Greenika doo, Savema doo, Green Decor, Ensol doo, Connect Clean Roma Group, Bibo Bot doo, IBISS Belgrade, Tekon tehnokonsalting, Green Express doo, Join doo, PUC Standard Knjazevac, Breathing Stations Zrenjanin, Internet Inzenjering Studio Present, PUC Medijana Nis, Silbo doo, SOS Children's willage Kraljevo, Savema doo 2, Sigoc doo, Mondoluka plus, Plasma Las Tech doo, Nelt doo, Municipality of Mionica. Gramis Invest d.o.o. Municipality of Senta, Inovacioni biznis centar Zlatibor	
Pilot measures for air quality improvements in pilot areas implemented	Number of implemented pilot measures	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	18 measures supported: Municipality of Sokobanja, Institute Mihajlo Pupin, Emo technique, Faculty of Mechanical Engineering, City of Uzice, Savema doo, Ozonway doo, Connect Clean Roma Group, PUC Krusevac, Green Décor, Green Express doo, Bibo Bot doo, Tekon Tehnokonsalting, IBISS Belgrade, Nelt doo, Silbo doo, Sigoc doo, Gramis doo.	Collection method: Review/analysis of relevant reports
					0	0	3	0	1	3	1	2		

2021/429-150**01 January 2025 – 31 December 2025**

Feasible priority and “no-regret” measures from the local Air Quality Plans/Short-term Action Plans implemented	Number of implemented measures	Action implementation progress reports Annual reports of the concerned local self-governments	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	10 LoAs 7 LoAs completed City of Pirot (Procurement of NOx and CO analysers) and City of Pancevo (Destruction of ragweed and Raising public awareness of the harmful impact of allergenic pollen), Bor (Display of air quality data on screens placed in a public place with high frequency of citizens in the city of Bor), Zaječar (Replacement of the old inefficient wood/coal boiler in the kindergarten "Ljiljan" with a boiler using compressed natural gas); Replacement of a coal-fired boiler with a	Collection method: Review/analysis of relevant reports
---	--------------------------------	---	---	--	----	-------	----	-------	----	-------	----	-------	--	--

2021/429-150

01 January 2025 – 31 December 2025

					1	0	2	2	1	1	1	2	natural gas boiler in the "Crvena zvezda" boiler house in the city of Leskovac, Instalment of meteorological station and replacement of solid fuel boilers with heat pumps and pellet and gas boilers in the city of Uzice and Cadaster of individual heating units and replacement of the heating systems used by socio-economically vulnerable households in the City of Valjevo.). 3 on-going projects: Switching to a remote heating system at the School "Ivo Lola Ribar in the City of Kraljevo, Replacement of heating systems in 3 public facilities in Bujanovac. and switching to central heating from solid fuel to natural gas in "Branko Radičević" elementary school in Popovac, Paracin	
Additional Clean Air Innovation		Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	3 PBPA's completed from the previous Clean	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

Challenge call ideas, already vetted by UNDP implemented	Number of implemented ideas	ation progress reports			1	0	1	1	1	1	0	1	Air Innovation Challenge call: Smart zero-energy city network of air pollution control devices with digital remote operation (StreetAirPurifier), Institute Mihajlo Pupin and Solution for Improved Efficiency of Combustion in Individual Fire Boxes "Easy Control", Emo technique ltd), The path to successful decarbonization with cassette green roofs, Green décor	Review/analysis of relevant reports
Feasibility studies developed for afforestation of concrete areas	Number of feasibility studies developed	Action implementation progress reports Feasibility studies or afforestation of concrete areas	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	6 completed (for 6 LSGs: Vršac, Sombor, Bačka Palanka, Smederevo, Pančevo and Zrenjanin)	Collection method: Review/analysis of relevant reports
Pilot afforestation measure implemented by National Afforestation Body in cooperation with municipalities and private sector	Number of hectares afforested	Action implementation progress reports Annual reports of beneficiary entities	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	237.14 ha Challenge Call measures implemented under IV pillar for afforestation and green infrastructure.	Collection method: Review/analysis of relevant reports
					1	1	1	1	1	1	0	1		
					0	0	43ha	50ha	42ha	0	60ha	0		

2021/429-150

01 January 2025 – 31 December 2025

Measures from each of the three forest landscape restoration plans (FLRs) implemented	Number of implemented measures	Action implementation progress reports Reports on implementation of FLRs	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	3 FLRs completed Studenica, Surcin, and Novi Sad 3 FLRs were developed, and 3 FLR measures implemented.	Collection method: Review/analysis of relevant reports
					0	0	1	1	1	1	1	2		
CSO-led measures for small- scale improvements in protected areas management implemented	Number of implemented measures	Action implementation progress reports Annual reports of concerned CSOs Annual reports of the concerned protected areas	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	18 completed in total. In 2023: Association of nature lovers "Riparia"; Association "Center for biodiversity research", Novi Sad; Sport fishing association "Deliblatsko Jezero", Deliblato; Citizens association "Jadovnik - an oasis of pristine nature", Prijepolje; Association "Vojvodina Environmental Movement", Sremski Karlovci; Association "Ecological center Staniste", Vrsac; Environmental protection association	Collection method: Review/analysis of relevant reports

2021/429-150

01 January 2025 – 31 December 2025

					1	0	2	0	1	2	0	0	Okanj – Elemir, Elemir; Association “Sustainable Development Forum”, Dimitrovgrad; Association “Bird Protection and Study Society of Serbia”, Novi Sad; Association “World Wide Fund for Nature Adria Srbija”, Belgrade ; Association “Ekolespark”, Stari Slankamen; Association “Novi put”, Kraljevo; Association „Biological Society “Dr. Sava Petrovic”, Niš; In 2025: Association of Sports Fishermen “Deliblatsko Jezero”; Citizens' Association "Jadovnik – Oasis of Untouched Nature"; Society for the Protection and Study of Birds of Serbia (DZPPS); National Association of Forest Owners "Dendroserbia"; Citizens' Association "Foresteducon".	
Nature-based (NbS) pilot	Number of implemented	Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	4 completed Public enterprise	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

measures related to a protected area management plan implemented.	nature- based solution pilot measures	ation progress reports Annual reports of the concerned protected areas			0	0	1	0	1	1	1	0	"Vojvodinasume" implemented project "Revitalization of water and wet habitats in SNR Obedska bara". The Association of sport fishhermen "Deliblatsko jezero" implemented "Green pastures for green transition" in SNR Kraljevac. The Association of Environmental Protection Okanj implemented the "Improvement of water regime management in SNR Okanj bara". SIDA funded: Public water managment company "Srbijavode", "Natural measures for ecological Gradac"; Public company Vojvodinasume "Revitalization of water bodies and wetlands in three protected areas along Danube and Sava River"; National park Tara "Restoration of Wetland Habitats in Tara National Park through Innovative Technologies".	Review/analysis of relevant reports
Measures for the organic and		Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	6 completed - Measures are related to organic	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

environmentally friendly food production implemented	Number of implemented measures	ation progress reports			1	0	1	1	2	2	1	2	milk production, environmentally friendly honey production, green cattle feed production, environmentally friendly grapevine cultivation, natural repellents for plant protection, optimization of frozen food storage	Review/analysis of relevant reports
Block chain-based food traceability platform developed.	Number of developed platforms	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 blockchain-based platform developed.	Collection method: Review/analysis of relevant reports
					0	N/A	1	N/A	0	N/A	0	N/A		
Component 3: SCALE-UP – Promoting change and building future														
Entities selected and awarded as frontrunners of the Green Agenda for Serbia and awareness raised through Agents of Change approach	Number of entities selected and awarded	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Planned for the next phase of the project	Collection method: Review/analysis of relevant reports
					N/A	0	N/A	0	Up to 5	Up to 10	Up to 5	Up to 10		
Public dialogue strengthened and public policy dialogues at local level organized	Number of public policy dialogues at local level organized	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	More than 9 organized Circular Economy Summit, 16 June 2022; Local Workshop on CE in waste management plans, 30 November 2022; Green Ideas and Projects – a fair organized to mark Word Environment Day on 5 June 2023; Event on 5 June 2024; Three consecutive years	Collection method: Review/analysis of relevant reports
					2	0	1	1	2	1	1	1		

2021/429-150

01 January 2025 – 31 December 2025

													Climate talks; Two IFI events (in 2022 and 2025);	
Promotion workshops organized improving public communication on green agenda among women and youth groups	Number of workshops organized	Action implement ation progress reports Workshop reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	More than 10 organized Public event targeting Youth organized at the Faculty of Drama Arts in October 2023. World Environment Day, 5 June 2023 and 2024; Green Agenda promotional event marking the start of European Mobility Week in 2022, 2023 and 2024; Eco-fair organised in September 2023 in cooperation with "Ušće" shopping centre; Exit festival in 2024; The event "The Green Agenda and Youth Involvement - Initiatives for a Sustainable Future", was organised In Gymnasium „Isidora Sekulić“ in Novi Sad within the campaign Green Grow Awareness Days on November 17th 2025	Collection method: Review/analysis of relevant reports
					1	0	1	0	1	1	1	1		
up to 5 local self- governments supported in scaling up pilot actions	Number of studies for upscaling local self- government pilot actions	Action implement ation progress reports Reports of	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	4 LSGs supported: Municipality of Raška, City of Zrenjanin, City of Uzice and City f Novi Sad	Collection method: Review/analysis of relevant reports
					0	0	0	0	Up to 3	0	Up to 2	Up to 5		

2021/429-150

01 January 2025 – 31 December 2025

		the concerned LSGs												
Capacities increased on principles of leaving no one behind in the context of Green Agenda	Number of capacity building workshops organized	Action implementation progress reports Workshop reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	4 events organized. Workshop organized as part of the acceleration process as well as dedicated events Public event targeting Youth organized at the Faculty of Drama Arts in October 2023. World Environment Day, 5 June 2023 and 2024; ; The event "The Green Agenda and Youth Involvement - Initiatives for a Sustainable Future", was organised In Gymnasium „Isidora Sekulić“ in Novi Sad within the campaign Green Grow Awareness Days on November 17th 2025	Collection method: Review/analysis of relevant reports
					1	N/A	1	N/A	1	N/A	1	N/A		
Methodology with criteria for identification and preparation-for-scale up of projects and solutions established	Number of methodologies established	Action implementation progress reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	1 methodology developed. The Scale up methodology developed through a challenge call for mature, bankable projects and an Expression of interest for banks to provide more favourable loans.	Collection method: Review/analysis of relevant reports
					0	N/A	1	N/A	0	N/A	0	N/A		
ESCO – model-based studies	Number of ESCO model-	Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Project provided technical support in	Collection method:

2021/429-150

01 January 2025 – 31 December 2025

developed for scale up in public sector	based studies developed	ation progress reports			0	0	0	0	3	2	2	3	preparation of applications for co-funding of ESCO projects with MME and for all 4 selected projects secured co-funding ((1) Municipal Administration Building in Bečej, 2) Industry and Technology Centre of Faculty of Technical Sciences, University in Novi Sad and 3) Primary School Veljko Vlahović in Kula), 4) Potentially Faculty of chemistry, University in Belgrade).	Review/analysis of relevant reports
Annual consultation event with IFIs organized to support scale up investments	Number of consultation events organized		0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	5 events organized. Session with IFIs and commercial banks during the Eco Fair on 5 October 2022 Session with commercial banks during the World Environment Day, 5 June 2023. Session for IFIs during the Climate Talks 2023. Financing session at the "BalkansGoCircular" Conference, 23 November 2023; "Boosting Green Transition Financing – Opportunities and Barriers", 24 January 2025	Collection method: Review/analysis of relevant reports
					1	0	0	0	1	1	1	0		
Recommendations provided	Number of Reports with	Action implement	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	In progress	Collection method:

2021/429-150**01 January 2025 – 31 December 2025**

setting up a Nature-based solution financing mechanism	recommendations developed	action progress reports			0	N/A	1	N/A	0	N/A	0	N/A		Review/analysis of relevant reports
Food farmers/ food producers and food retailers formality accessed the food traceability platform	Number formal agreements signed	Action implementation progress reports Training reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Food retailer Delhaize agreed on cooperation related to food traceability system with 3 food producers, which participated in the platform development.	Collection method: Review/analysis of relevant reports
					0	0	0	1	3	1	2	1		
Trainings for supply chain participants provided on sustainable food production techniques and use of the food traceability platform	Number of trainings delivered	Action implementation progress reports Training reports	0		EU	Swiss	EU	Swiss	EU	Swiss	EU	Swiss	Initial guidance and trainings to the supply chain participants on the future use of the food traceability platform was provided, during the platform development in line with the customer-centric design.	Collection method: Review/analysis of relevant reports
					0	N/A	1	N/A	1	N/A	1	N/A		

PROJECT MANAGEMENT AND COORDINATION

ACTIVITY A o.1 Establishment and coordination of the decision-making process (fully implemented in the First phase)	
Description of activity: This activity will establish a management structure, as well as a strategic steering approach for the implementation of the Action and ensure transparency and coordination among all partners working on the implementation.	
Intervention	Status
Establishment of the project management structure	COMPLETED
Establishment of the strategic level steering and informed decision-making process.	COMPLETED
Planned deliverables: First phase: 1. Project management structure established. 2. Project Steering Committee (PSC) established. 3. Minutes from the PSC meetings approved. 4. Visibility and Communication Plan approved.	1. COMPLETED 2. COMPLETED 3. COMPLETED for all PSC meetings held in 2022, 2023, 2024 and 2025 4. COMPLETED

The Project established the Project Steering Committee (PSC) under the IPA project “EU for Green Agenda in Serbia” to ensure the national ownership and achievement of the project objectives through the strategic level steering and informed decision-making process. The PSC consists of representatives of the EU Delegation, the Ministry of Environmental Protection, the Ministry of Mining and Energy, the Ministry of Agriculture, Forestry and Water Management, the Ministry of Economy, the Ministry of Finance, the Ministry of European Integration, UNDP and EIB as organizations contracted for the Project implementation. The Ministry of Environment Protection co-chairs the Steering Committee together with the EU Delegation, while UNDP is a key implementing partner cooperating closely with the Embassy of Sweden and EIB, as partners. All decisions made by the PSC are based on consensus, while its work is clearly described with Rules of Procedures.

The PSC takes strategic decisions, approves budget revisions and supervises the proper implementation of the Action. The PSC also decides on adjustments to the planned activities as appropriate and in line with the flexible approach of the Action, particularly regarding new additional requirements that appear during the implementation phase as per request of the PSC members’ institutions.

UNDP provides administrative and technical support to the PSC, which includes meeting organization and preparation of meeting material (2 weeks before a meeting), presentation on

progress achieved (shared before a meeting), as well as minutes of the meeting, no later than one week after each PSC meeting.

The Project Team organised the 6th PSC meeting on July 3rd 2025. The Project Team distributed minutes of the meetings among all PSC members and partners.

During the reporting period, the Project continued with the established good practices to keep all partners well informed and to ensure the Ministry's ownership through monthly Partners' Meetings (each first Thursday in a month), and monthly meetings with the beneficiary (the Ministry) organized monthly.

ACTIVITY A 0.2 Project implementation including participation and coordination with stakeholders (fully implemented in the First phase)	
Description of activity: This activity will establish institutional structures for the coordination of Green Agenda implementation in Serbia as well as structure(s) supporting the identification, prioritisation and implementation of Green Agenda actions, based on experience and mechanisms developed during the implementation of this Project.	
Intervention	Status
Establishment (support to operations) of the inter-sectorial and long-term implementation coordination for the Green Agenda - Advisory Committee and Technical Advisory Body	COMPLETED
Strengthening of implementation capacities in the Ministry of Environmental Protection	ONGOING (continuous activity)
Deliverables: First phase: 1. Advisory Committee established / similar function provided by the activities of the Green Agenda Working Group. 2. Pillars-specific Technical Advisory Body(s) (alternatively - sub-groups of the GAWB) considered and, if decided by the PSC, established/ formed. 3. Institutional structure for the implementation of the Green Agenda identified and established, as appropriate.	1. COMPLETED 2. COMPLETED 3. COMPLETED

During the discussions with the MEP as Co-chair of the PSC, the Project Team proposed that the existing inter-governmental and multi-stakeholder Working Group for Green Agenda Strategy also provides the inter-sectorial and long-term implementation coordination for the Green

Agenda – representing Advisory Committee. The members of the Working Group have been appointed as members of the Technical Advisory Body to support the development of the Environmental Protection Strategy.

To strengthen implementation capacities in the Ministry, the Project Team engaged ten junior experts and one senior coordinator (from the MEP budget contribution) to assist the Ministry team in issuing IPPC permits, dealing with climate policy and strengthening international cooperation. This action is designed to facilitate the process of issuing IPPC permits and speed up the process of GHG monitoring and reporting, but also to improve the sustainability of these processes.

In addition to above mentioned, and in order to ensure smooth implementation, synergy, transparency and adaptability of Project actions during the implementation, the Project established three complementary additional mechanisms of coordination and reporting, as a part of strengthening institutional structure:

- Regular meetings with the Ministry of Environmental Protection, as the key beneficiary of the Project (usually take place every two weeks, on Fridays);
- Regular monthly meetings with donors, partners and representatives of the MEP (usually take place first Thursday of each month).
- Ad hoc meetings with other relevant projects active in the Green Agenda areas (such as IED Project, EU4Green, and others), and bilateral consultative meetings with all relevant stakeholders including partner organizations.

COMPONENT 1: GET STARTED – CREATION OF FRAMEWORK CONDITIONS

ACTIVITY A1.1: Development of the pillar-specific Roadmaps and Green Agenda Strategy for Serbia (fully implemented in the First phase)	
Description of activity: The Project will be implemented by taking into account the following: EU guidance through the Economic and Investment Plan, Green Agenda for the Western Balkans, Sofia Declaration on the Green Agenda, Action Plan for the Implementation of the Sofia Declaration, but also a large number of national strategic documents, including these supporting the EU accession process and the negotiating position. Two interventions are planned under this activity – operational and strategic. Operational will include developing and agreeing roadmaps with the participation of all stakeholders to guide this project implementation. The strategic intervention will include inclusive development of the national strategic policy document on the Green Agenda.	
Intervention	Status
Development of the pillars specific Roadmaps to support the Green Agenda	COMPLETED
Development of the National Environmental Protection Strategy / Green Agenda	COMPLETED
Deliverables: First phase: • Five Green Agenda pillar specific Roadmaps developed, including gender perspective where appropriate. • National Environmental Protection Strategy / Green Agenda prepared in an inclusive and gender-sensitive manner and submitted to the Government for adoption.	1. COMPLETED 2. COMPLETED

The MEP established a Working Group in January 2023 with 134 official members from all relevant authorities and organizations (45 entities), including four NGOs ("Mladi istraživači Srbije", "Beogradska otvorena škola", "RERI" and "Nimbus") selected through the process initiated by the Ministry of Human and Minority Rights and Social Dialogue.

The Project supported the development of the Strategy for Environmental Protection / Green Agenda with the Action Plan. The Strategy embraces all five pillars of the Green Agenda and contains one chapter on horizontal issues. The Project organized five meetings of the Working

Group (WG) in 2023 and a wide consultative process with various stakeholders and responsible authorities.

In 2024, the focus was on improving the Strategy and developing an Action Plan for the implementation of the Strategy, in line with the Law on the Planning System of the Republic of Serbia and planned budget. Also, the Project supported the development of a Strategic Environmental Assessment for the Environmental Protection Strategy - Green Agenda. In order to improve the draft Strategy and Action Plan and respond to numerous questions that appeared during the drafting process, the Project Team organised 27 consultative bilateral meetings and an additional 2-day workshop related to the Decarbonisation Pillar in the Strategy and Action Plan, with relevant institutions and departments of the Ministry of Environmental Protection. The specific topics discussed: Decarbonisation (7 meetings), Horizontal issues (2 meetings), Nature protection (2 meetings), Action Plan in all five pillars (5 meetings), Environmental financing (3 meetings), SEA (2 meetings). Also, the Project organized 7 meetings to upgrade the draft Strategy based on the received comments from the working group members and from the stakeholders during e-consultations.

The Project organized two presentations of the draft Strategy to the wider stakeholders during the process of e-consultations (from 3rd September until 3rd October 2024), and during the public debate (from 4th till 24th December 2024), namely:

- Presentation for the representatives of local self-governments, organised in cooperation with SKGO, on 11th September 2024, with 99 participants;
- Presentation for the representatives of the international community, on 30th September (international organizations and donors) with 60 participants;
- Presentation for the public on 4th December 2024, with 85 participants.

The Project Team continued cooperation with “Volvox” project (led by the NGO sector), to disseminate information on the Strategy development and facilitate further involvement of a broader civil society organizations (CSO) community in the consultative process.

The Project engaged 8 experts and two companies for the Strategy, Action Plan and SEA development. Also, in May 2024, the Project organised a study visit to the environmental institutions in the Czech Republic, to strengthen the capacities of MEP and SEPA for policy planning in line with European Green Deal and Western Balkans Green Agenda pillars. Several meetings were held to share experiences between institutions, related to policy implementation and environmental financing (Ministries, Environmental Fund), but also to visit major decarbonisation projects supported by EU funds (a district heating facility and a cement plant).

The proposal of the Strategy with Action Plan and SEA is sent to the interministerial consultation in January 2025, and after establishment of the new government in April 2025, the process of interministerial consultation is repeated. During this period, the Action plan was adjusted to the budgetary revisions and project supported preparation of the financial documentation

necessary for the positive opinions from all relevant institutions. Strategy with Action Plan and SEA is finalised in line with all the opinions received from the institutions.

In 2025 the Project also supported the development of a **Program for Industrial Safety of the Republic of Serbia, covering the period 2026-2035, along with its Action Plan for 2026-2030 and SEA**, as foreseen in the draft Environmental Protection Strategy - Green Agenda, and as requested by the MEP, considering it is a priority strategic document steaming from the Strategy. The Program aims to strengthen resilience against major industrial accidents and improve environmental protection. This Programme represents Serbia's first public policy document to provide a comprehensive strategic framework for industrial safety, and it is also the first of its kind in the region.

The project supported organisation of three working group meetings: the 1st one was related to development of the draft Program for Industrial Safety (held on 3-4 April 2025) , the 2nd was related to the development of the Action Plan for implementation of the Program for Industrial Safety (held on 14-16 May 2025) and the third was related to the presentation of the draft Program with Action Plan and SEA and development of the financial part of the Action Plan (held on 4-5 September 2025). The draft Programme and Action Plan were developed and harmonised through three sessions of the Working Group, which included more than 40 representatives of competent institutions and organisations, including relevant ministries, the Standing Conference of Towns and Municipalities, and the Serbian Chamber of Commerce and CSOs. The e- consultation process was held in June 2025, and the second time with SEA in August 2025, while the public consultation on the Draft Programme was organised in November- December 2025, with public presentation on 27th November 2025.

As per the request from the MEP, the project supported development of the financial estimates for relevant strategic and legal documents. Namely, the project drafted :

- Financial assessment of the Action plan for fulfillment of the benchmarks for closing negotiation Chapter 27.
- Analysis of the Financial Effects of the new Regulation on the list of projects for which an environmental impact assessment is mandatory, the list of projects for which there is an obligation to submit a request for a decision on the need for an environmental impact assessment and criteria for deciding on the need for an environmental impact assessment

ACTIVITY A 1.2: Policy implementation support and capacity building relevant for pilot projects and scale-up (partially implemented in the First phase and partially in the Second phase)

The Serbia 2021 EU Progress Report sends a clear message on the need to increase focus on implementation, not at least related to Chapters 15 and 27. Whilst progress was made in alignment with the legislation, the implementation focus remains a fundamental challenge

and barrier to greening the society and economy. UNDP, in consultations with the EU Delegation, will provide tailored support in the sense of upgrading policy/regulatory framework ensuring pre-conditions for pilot projects and scale-up actions. In fact, this Activity, as well as the entire Component 1, is tailored to enable and catalyse the implementation of pilot measures under Component 2.

When implementing this activity, UNDP will additionally assess each specific intervention for compliance with policies and will ensure horizontal coordination among pillars. Pilot interventions which address the issue comprehensively and link with interventions with other pillars will be prioritized.

Through this activity, UNDP and partners in the implementation of the Green Agenda in Serbia will aim, in all five pillars, to engage expertise and experience from EU Member States/European countries, and other countries advancing on the Green Agenda. This EU-based technical assistance will support policies, pilot projects and scale-up of bankable investments. UNDP as the main implementing entity will make sure that this EU/European expertise is made available to Serbian stakeholders, i.e. through workshops, also highlighting the shift to green technologies.

Through this policy implementation support and capacity building activity, a strong focus will also be given to strengthening inclusive societal dialogue, good governance and the leaving no one behind perspective of the green transition, i.e. when strengthening policy development and in capacity building activities.

Intervention	Status
Facilitation of climate action, decarbonization and energy efficiency	ONGOING
Facilitation of industrial emissions reduction and greening industries	ONGOING
Facilitation of circular economy implementation for resource efficiency and industrial symbiosis	ONGOING
Facilitation depollution of the environment with a strong focus on air quality	ONGOING
Facilitation of protection and investment in biodiversity and ecosystems	ONGOING
Facilitation of sustainable food systems for sustainable rural livelihood	COMPLETED
All expected deliverables of Component 1: First phase:	

1. Six trainings provided to 10 EU ETS operators and 10 public and private entities from non-ETS sectors.	1. COMPLETED
2. 10 MEP and SEPA staff members trained in quality assurance and control and monitoring plans and reports as part of GHG emission permitting.	2. COMPLETED
3. 5 local low-carbon development policy documents were developed.	3. COMPLETED (replaced with Finalisation of the National Low-Carbon Development Strategy, BUR and 3NC, as per the MEP request).
4. 10 MEP staff trained in planning and implementation of EU ETS or equivalent measures.	4. COMPLETED
5. At least one regulatory act aligning the national EE policy and one aligning national RE policy with EU norms developed or amended.	5. COMPLETED (2 Regulatory acts)
6. Expert report on the development of the rules of procedures for supporting the operation of the future EE Directorate prepared.	6. COMPLETED
7. 100 designated public services receive energy management system and training, per the new Law on Energy Efficiency (hospitals, services, etc.)	7. COMPLETED
8. 2 regulatory acts aligned with the EU integrated permitting-related requirements, focusing on IED and ETS requirements interaction (in cooperation with IED project funded by SIDA).	8. COMPLETED (The Rulebook on Reporting and Monitoring on GHG Emissions and draft IPPC Law)
9. Guidance document developed for greening of the public and private companies and industries falling under either/both EU ETS and/or IED.	9. COMPLETED (4 documents developed)
10. 10 IPPC/IED operators supported and trained to prepare IPPC permit applications (focusing on GHG emissions).	10. COMPLETED (12 IPPC operators supported)
11. Regulatory act amended/developed (potentially, developing New Waste Management Law) to accommodate requirements of the EU Circular Economy package.	11. COMPLETED (The Law on Waste Management amended. Regulatory acts regarding end of waste and by-products adopted)
12. Three workshops for key actors were organized to promote the implementation of the circular economy elements of the new Industrial Policy Strategy of Serbia in collaboration with the Chamber of Commerce and Industry.	
13. Up to 5 local waste management plans amended with circular economy requirements.	12. COMPLETED

14. Solutions for sludge and bio-waste management identified for 2 cities/municipalities with functional wastewater treatment facilities.	13. COMPLETED (10 plans improved)
15. Recommendations for improvements of regulatory acts on air quality prepared.	14. COMPLETED (4 cities/municipalities)
16. Tailor-made training module on participatory air quality planning and short-term plan development prepared and at least 50 representatives of LSGs trained.	15. COMPLETED
17. Up to 10 local Air Quality Plans and/or Short-term Action Plans developed or improved.	16. COMPLETED (157 representatives)
18. 3 annual conferences on inclusive policy dialogue on air pollution were held, with a particular focus on leaving no one behind the perspective of the Green Transition and its implementation needs in Serbia.	17. COMPLETED (10 in total)
19. 2 workshops on regional cooperation on air quality management were held.	18. COMPLETED (1 conference in 2022, 1 conference in 2023, 1 conference in 2025.
20. Abandoned agricultural land plots (100 – 200 ha) suitable for afforestation identified.	19. ONGOING (1 in 2023 and 1 planned for 2026)
21. 3 pilot Forest Landscape Restoration plans for priority areas developed.	20.COMPLETED (555.70 ha identified)
22. National Afforestation Body established.	21.COMPLETED (3 FLRP developed)
23. One Sustainable Protected Area Management Plan elaborated for demonstration of an integrated cross-sectoral implementation approach.	22. COMPLETED - the deliverable is replaced with an Assessment of the potential for sustainable forest management of privately owned forests, as per request of the Forestry Directorate.
	23. COMPLETED Deliverable is replaced with "Assessment of the Implementation of Management Plan of National Park Tara (2020-2029) to develop

24. Policy recommendations developed for improving the legislative framework for sustainable food systems in Serbia.	recommendations for improving legal requirements
25. Capacity-building training on ecologically suitable agricultural production provided to at least 15 rural farmers, adjacent to at least two protected areas.	defining the content of the Management Plans for Protected Areas" as per MEP request.
Second phase:	
26. At least 5 detailed energy audits for selected public buildings identified and supported, as well as ESCO model, prepared.	24. COMPLETED
27. Capacity building training on ecologically suitable agricultural production provided to at least 5 rural farmers, adjacent to at least two protected areas.	25. COMPLETED
	26. COMPLETED
	27. COMPLETED

ACTIVITY A 1.2. (1): Within the Decarbonization component, the Project supported the MEP and implemented the following activities:

- Capacity building for representatives of MEP, SEPA and ETS operators on the legal framework and implementation of the Law on Climate Change, as well as support in the establishment of the MRV GHG system, The Project supported capacity building for ETS operators and competent authorities through training events aiming to enhance the GHG application and permitting process, namely:
 - Workshop for all ETS operators, introduction of the legal framework and MRV system, new IT tool (e-GHG platform), training on submitting GHG application and preparation of GHG monitoring plans, on 24th January 2024 with 135 participants.
 - Workshop on GHG applications and GHG Monitoring plans for ETS operators from the ceramic industry and industry with combustion processes on 12th April 2024, with 29 participants.
 - Workshop on GHG applications and GHG Monitoring plans, for ETS operators – District Heating Plants, on 15th April 2024, with 42 participants.
 - Workshops on GHG Monitoring and Reporting for ETS operators – district heating facilities (held on 25th February 2025)
 - Workshops on GHG Monitoring and Reporting for Environmental Inspection (held on 28th February 2025)
 - Workshop for Climate Change Department for planning and implementation of ETS related measures (held on 22-24 December 2025)
- The Project engaged a company ("TCOM") for the development of an IT tool for the MRV system, to facilitate the GHG application and permitting process. During 2024, the Project provided maintenance of the IT system, supported the upgrade of its

functionalities and ensured that the system was user-friendly and aligned with the needs of competent authorities and operators. The Project transferred ownership over the e-GHG platform to the MEP, to take over further operation of the system and ensure sustainability. In 2025, the project engaged IT experts for further support, upgrade and adjustment of the e-GHG platform, as well as support the capacity-building of the platform users.

- The Project provided experts' support for the GHG application and permitting process. The project engaged international expert to support MEP and SEPA in quality assessment, providing revision of the GHG applications and monitoring plans submitted by ETS operators.

In coordination with the MEP and the IED project, the Project organised the following capacity-building events to support competent authorities on national, regional and local levels, as well as IPPC facilities in Serbia, namely:

- The Roundtable for issuing integrated permits – Improvement and harmonisation of the procedure for issuing integrated and water permits, on 28th March 2024, with 43 participants (15 IPPC operators and 28 competent authorities).
- The Workshop for competent authorities: Revised Industrial Emission Directive, on 5th November 2024, with 52 participants.

As requested by the MEP, in 2024, the Project supported the development of a new Law on IPPC, to facilitate alignment with the EU IED. Technical assistance is provided for the development of Baseline Study on the new IPPC Law, as the first step in the procedure of development of the Law. The project also provided expert support for the preparation of draft new IPPC Law, Tables of Concordance, Justification and Analysis of effects. During 2025, the project supported organisation of three working group meetings and two targeted capacity building events for competent authorities, to facilitate development of the new IPPC Law, namely:

- 1st Working Group Meeting held on 10th March 2025
- 2nd Working Group Meeting held on 30th May 2025
- 3rd Working Group Meeting, held on 24th September 2025,
- The Workshop: New IPPC Law and IED, technical aspects, 24-25th April 2025
- The Workshop: New IPPC Law and IED - legal aspects, 19-20th June 2025

The Project continued support to selected IPPC operators in developing IPPC applications ("Papir Print", Gornji Milanovac; "Valjaonica bakra", Sevojno; "Impol Seval", Sevojno; "Regionalna deponija Pirot", Pirot; "Sunoko", Pećinci; "Victoriaoil", Šid; "Fabrika kartona Umka", Umka). In coordination with the MEP and the IED project, the Project also organised site visits and meetings with the MEP and operators in order to collect data and documentation for the additional IPPC applications. In coordination with the MEP additional IPPC operators are selected and supported in applying for the IPPC permit, in coordination with the IED project. The

Project provided support for the preparation of IPPC applications for the following IPPC operators:

- "AIK Bačka Topola", (meat industry), Bačka Topola;
- Public utility company, district heating plant Niš "Jug";
- Public utility company Pančevo, district heating plant;
- "Flash d.o.o.", textile industry, Apatin.
- "Almex", pig farm, Kovacica

For all these IPPC operators, the IED project supports drafting of the IPPC permits, which is the next phase required by the law.

In the previous period the project developed following guidelines for greening the industries: Roadmap for Decarbonization of the industry – example of companies for the production of mineral fertilizers and phosphoric acid (Elixir), Option analysis for using the industrial Wastewater Sludge (AIK Backa Topola) and the Study on decarbonization based on energy audit of the ETS operator (company Impol Seval, metal processing industry). The Project additionally supported the development of the Report which can serve as guidance documents to ETS and IPPC operators for decarbonisation and depollution: "The Study on the possibilities of using biogas from the WWTP for the cardboard mill Umka " as the guidance document for GHG emission reduction by using the biogas in the industrial processes. This Report is prepared and was presented to industry and expert audience, during the public event in September 2025. This document is deliverable under the Performance-based Payment Agreement (PBPA) signed between UNDP and "Umka" company, important and relevant for policy development.

Energy, Energy Efficiency and Renewable Energy Sources.

The Project supported the Ministry of Mining and Energy (MME) in the implementation of the Energy Management Information System and drafting of two rulebooks, one on energy efficiency, and one on renewable energy sources, supporting in this way the alignment of the national legal framework with the EU *acquis*. Improvements in the EMIS, including the maintenance and EMIS data collection (experts' support provided for the MME) is completed in the first phase of the Project.

The Project also provided technical support (legal and technical support in civil engineering, architecture, mechanical, electro engineering, EE) to the MME and Administration for Financing and Promoting Energy Efficiency (EEA) in the implementation of projects for energy efficiency improvement in public buildings, in cooperation with local self-governments.

Technical Assistance and Capacity Building support is being provided to the Ministry of Mining and Energy (MoME) in 2025 through the engagement of four experts to enhance administrative capacities for executing 'green' projects of IPA III structure, execution of the Operational Programme for Window 3; Rehabilitation and modernization of hydropower facilities, improving their efficiency while assessing new potentials; Aligning with the European Clean Energy

Package to meet renewable energy goals according to Serbia's energy and climate plans and Facilitate the modernization of the power transmission system to comply with EU standards and support the transition to renewable energy.

In January 2025, in order to support scaling biomethane and geothermal potential in Serbia, the United Nations Development Programme (UNDP) published the report *Biomethane Production in Serbia – GAP Analysis of Policies, Potentials, Supply, Infrastructure and Market Trends*, aimed at assessing options for strengthening and developing biomethane production and replacing natural gas with biomethane. At the same time, UNDP also published the report *Geothermal Availability of the Locations in Serbia from the Aspect of Utilization of "Geothermal Waste-Discharge Waters" (for Energy Purposes)*.

The biomethane report was prepared at the request of the MME, with the active participation of the MEP. It provides a comprehensive assessment of feedstock availability, biomethane production potential, relevant technologies, and the structure of the biomethane value chain in Serbia. Following the confirmation of resource availability, market potential, and key development gaps identified in the report, and at the request of the MME, in August 2025, the consulting firm Ernst & Young has been engaged to prepare proposals for amendments to the relevant legal framework in the energy sector, as well as to develop a proposal for a biomethane incentive scheme.

ACTIVITY A 1.2. (2): Within the Circular Economy component, the Project produced recommendations for upgrading the ten local Waste Management Plans by integrating the Circular Economy component in each plan. The Project provided recommendations for the following cities/municipalities: Kragujevac, Subotica, Pančevo, Novi Pazar, Sombor, Bujanovac, Medveđa, Topola, Lapovo and Raška.

Furthermore, the Project provided support to the City of Subotica, the City of Leskovac, the Municipality of Raška and the Municipality of Topola, and developed recommendations for management of sludge from wastewater treatment facilities in combination with biomass.

The Project supported the development of amendments to the Law on Waste Management which were adopted in May 2023. Several provisions, particularly regarding End-of-Waste status and easier use of waste for Research and Development – directly resulted from the experience gained during the implementation of the Project. The engaged, national, and international consultants supported drafting amendments for the three rulebooks: Rulebook on the Use of Waste for R&D Purposes adopted (Dec 2023), Rulebook on End of Waste Status Registration adopted (March 2024), Rulebook on By-product Registration adopted (April 2024).

ACTIVITY A 1.2. (3): Within the Air Quality component, in 2025, the Project supported development of Short-term Action Plan for the Municipality of Surdulica, and revisions of Air Quality Plan (AQP) for the City of Sombor and Short-term Action Plan for the Municipality of Beočin. AQP for the city of Sombor was approved by the Ministry in December 2025. In addition, Law on Air Protection was adopted in June 2025.

On 28th May 2025, the project organized a national Conference in synergy with the UNDP-implemented project “Geothermal Energy in Serbia”, financed by the Ministry of Finance of the Slovak Republic. The conference was titled “Geothermal energy in the service of improving air quality and decarbonization”, where main discussion was focused on geothermal energy in the service of heating and reduction of air pollution, with more than 60 participants attended both live and online, from over 20 local self-governments and public institutions.

Previously, the project developed the *Ex-ante* regulatory impact analysis of the Law on Air Protection and produced draft new Law on Air Protection in December 2024. The Project Team arranged a series of meetings between experts and the representatives of the Air Quality Department of the MEP in 2023 and 2024. The MEP established Working Group for the development of the Law on Air Protection in August 2024. The MEP, with Project support, organized early public debate on the draft Law on Air Protection on the 18th of December 2024, followed by the public debate on the 21st of January 2025. Public review of the Draft Law was open until the 3rd of February 2025. The Law was adopted in June 2025.

In the 2022-2023 period, the Project continuously supported 29 municipalities (12 local self-governments (LSGs) that have a legal obligation to develop an Air Quality Plan, as they are categorized in the third category of air quality (excessively polluted air): Kraljevo, Zaječar, Užice, Beočin, Bor, Belgrade, Pančevo, Subotica, Pirot, Paraćin, Novi Pazar and Niš, as well as additional 17 LSGs without a legal obligation to develop an Air Quality Plan): Čuprija, Bujanovac, Sombor, Veliko Gradište, Sokobanja, Arandelovac, Vlasotince, Mionica, Prijepolje, Bačka Palanka, Požega, Negotin, Dimitrovgrad, Medveđa, Bosilegrad, Opovo, and Loznica). The project is negotiating with the municipalities of Bujanovac and Surdulica to assist them in finalizing Short-term Action Plans.

The Project provided technical expert support to LSGs in the development and/or improvement of their Air Quality Action Plans. Mentors reviewed LSGs’ documents, consulted directly with their representatives, and provided tailor-made support to the selected entities. As a result, the following cities have developed or improved their Air Quality Plans (AQP) or Short-term Air Quality Action Plans (StAP):

- Kraljevo (improved AQP adopted by the local Parliament on the 8th of September 2023);
- Pančevo (improved AQP with StAP adopted by the local Parliament on the 10th of July 2023);
- Bor (improved AQP adopted in March 2024);
- Zaječar (new AQP and StAP adopted by the local Parliament on June 26th 2024);
- Užice (improved AQP and developed StAP, held public consultations and submitted to MEP for approval in September 2024);
- Paraćin (developed AQP, held public consultations in 2024);
- Novi Pazar (developed AQP, held public consultations in 2024);
- Sombor (new AQP drafted, obtained consent by the Ministry in December 2025);

- Subotica (new AQP with StAP drafted);
- Beočin (improved StAP drafted);
- Surdulica (new StAP drafted).

On 5th and 6th of April 2023, the project organized a National Conference and Third Workshop of providing technical support in the development and/or improvement of Air Quality Plans and/or Short-term Action Plans. During the second day (Workshop on Air Quality), the participants gained more insights about the Guidelines for the Preparation and Adoption of Air Quality Plans and Short-Term Action Plans for air protection of local self-government units as well as about communication with the public in the process of preparation and implementation of Air Quality Plans and Short-Term Action Plans. The participants worked directly with mentors, and they had the opportunity to exchange mutual experiences on topics such as air quality monitoring, air quality data collection and emissions, Short-term Action Plans on Air Quality Protection, etc.

On the 29th of May 2023, the project organized a Regional Conference “Protecting the Air” which provided experience exchange in the area for more than 140 regional participants. The panellists presented concrete examples and good practices from Croatia, North Macedonia, Bosnia and Herzegovina, Sweden and Serbia. They addressed air quality data and air protection planning, implementation of air protection measures as well as the way ahead in terms of air protection in Serbia.

On 28th May 2025, the project organized a national Conference in synergy with the UNDP-implemented project “Geothermal Energy in Serbia”, financed by the Ministry of Finance of the Slovak Republic. The conference was titled “Geothermal energy in the service of improving air quality and decarbonization”, where main discussion was focused on geothermal energy in the service of heating and reduction of air pollution, with more than 60 participants attended both live and online, from over 20 local self-governments and public institutions.

During the reporting period, instead of conference an early public hearing on the Draft new Law on Air Protection was organized, after a national conference planned for June 2024, was cancelled by the MEP. Public consultations were organized on 21st January 2025.

The Project Team prepared a draft outline of the Guidelines for Air Quality Planning for local self-governments and sent it to the MEP for review and providing opinions and suggestions. The Guidelines have been translated into English by the Project team.

ACTIVITY A 1.2. (4): Within the Nature Protection component (Afforestation), the identification of abandoned agricultural land plots in 12 municipalities was conducted as well as afforestation feasibility assessments in 6 selected municipalities.

The Project identified 12 local self-government units for verification of abandoned land, with a special focus on suitability for afforestation and organic production. These LSGs are: the municipalities of Jagodina, Knić, Varvarin, Boljevac, Malo Crniće, Apatin, Arandjelovac, Bogatić, City of Niš – Niška Banja, City of Niš – Palilula, City of Niš – Pantelejš, and Paraćin.

The bellow table indicates the area available for afforestation in the selected municipalities:

No	Municipality	Area (ha)
1.	Arandjelovac	6.49
2.	Boljevac	76.32
3.	Jagodina	60.67
4.	Knić	7.59
5.	Malo Crniće	10.34
6.	Paraćin	34.76
7.	Subotica	19.28
8.	Zrenjanin	5.26
TOTAL		220.74

Therefore, the total identified area, suitable for afforestation on abandoned agricultural land plots targeted by the project is 220.74 ha.

In addition, at the request of the Ministry of Environmental Protection, the project supported the development of feasibility studies for afforestation in six municipalities identified by the Ministry and affected by air pollution: Bačka Palanka, Sombor, Smederevo, Zrenjanin, Pančevo and Vršac. An expert team engaged by the project worked directly with municipal representatives and conducted field visits and assessments to identify plots suitable for afforestation. Based on these expert assessments, an additional 334.96 ha of land were identified as suitable for afforestation.

No	Municipality	Area (ha)
1.	Sombor	78.12
2.	Backa Palanka	66.30
3.	Smederevo	2.58
4.	Zrenjanin	32.92
5.	Pancevo	15.05
6.	Vrsac	140.00
TOTAL		334.96

As a result, the total land area identified by the project as suitable for afforestation amounts to 555.70 ha.

Based on the request of the MEP, the Project replaced the following activity "Development of Sustainable Protected Area Management Plan for Natura 2000 site", with "Assessment of the Implementation of Management Plan of National Park Tara (adopted for the period 2020-2029)

in order to develop recommendations for improving legal requirements defining the content of the Management Plans for Protected Areas". The Project completed the assessment and the MEP approved it in April 2023.

In cooperation with the Forestry Directorate, the Project conducted an Analysis of Private Forest Management and Management of Forests that are Part of National Parks in the Republic of Serbia. The analysis focused in its conclusions on sustainable forest management and certification. This activity replaced the initially planned establishment of the National Afforestation Body, as per the request of the Forestry Directorate.

The Project developed the three Forest Landscape Restoration Plans i.e. for Studenica, Novi Sad and Surčin. The Project also conducted an international peer review of the three FLRs. Experts from the Faculty of Forestry in Belgrade prepared FLRs for Studenica and Surčin, while experts from the Institute of Lowland Forestry and Environment from Novi Sad prepared FLR for Novi Sad. Two projects supported in 2024 via the Challenge Call are implementing measures from the FLR Plans, namely Surčin and Novi Sad.

The Project developed Feasibility studies for afforestation in six local self-governments (Vršac, Sombor, Bačka Palanka, Smederevo, Pančevo and Zrenjanin) in the period 2023-2024.

The Project Team conducted a capacity-building training on ecologically suitable agricultural production on 7th December 2023 in Special Nature Reserve "Zasavica" for a total of 24 rural farmers and other (18) participants, stakeholders within and in the vicinity of "Zasavica" and "Obedska Bara", namely protected area managers, local self-government representatives, nature protection professionals and representatives of civil society organizations active in the area of environmental protection.

In early 2024, within the Swedish-funded project on wetland conservation, the Institute for Biological Research "Siniša Stanković" produced Report on ten preselected pilot protected sites with high potential for climate adaptation through the implementation of NbS. The project made the document readily available to all protected area managers and other stakeholders before the publishing of the Challenge Call for Innovative Solutions for the Protection, Preservation and Revitalization of Wetland Habitats.

The UNDP project team completed the second bylaw, the Decree on Appropriate Assessment, and presented the final draft to the Ministry of Environmental Protection and relevant stakeholders in November 2025. Decree on Environmental Network was presented to the MEP in the beginning of 2024. The drafting of the Law on Nature Protection began in 2025 and is ongoing. Integral part of this engagement is ex ante impact assessment analysis which will be finalized before the law is drafted and presented to the MEP and other interested stakeholders in 2025. Before that, in 2023, as precondition for the work on a new Law, the ex post analysis was carried out and presented to the MEP. In line with MEP request, the project additionally drafted Action plan for Eradication of Illegal Killing of Birds aligned with the Birds Directive and

Rome Strategic Plan 202-2030 (Convention on the Conservation of Migratory Species and Convention on the Conservation of European Wildlife and Natural Habitats).

ACTIVITY A 1.2. (5): Within the Sustainable Food Systems component, the Project completed the development of a software (blockchain-based food traceability platform). The Project engaged in-house IT experts (TechCell) who developed the required software solution for fresh meat products in cooperation with a nationwide food retailer company (Delhaize). The Project needs to provide additional support in upgrading cash registers and other peripherals, and providing licences so to enable this equipment to print QR codes which will be part of a food label applied to every single food (meat) product, and which will enable traceability. Testing of the Platform in the shops and its promotion is pending approval from the Ministry of Agriculture, Forestry and Water Management.

In the reporting period, the Project supported the MAFWM in building capacities and strengthening policy and legal framework for sustainable agriculture, particularly by drafting two rulebooks (on organic production control and labelling and on measures for non-compliance with organic production), as well as by developing Phytosanitary and Veterinary Policy Recommendations for improving Food Product Traceability Along the Entire Food Chain as a Support to Policies Governing Official Controls in Serbia.

The Project also organized a capacity-building training on ecologically suitable agricultural production for rural farmers, as well as a Training of Trainers on Regenerative Agriculture for the Agricultural Extension Services staff, organized within their official and compulsory 2024 training program. The training was attended by 82 current and 37 future staff members, who work and will work directly with farmers in the field to ensure sustainability. All participants passed the knowledge test after the training; hence they earned the points they will need to renew or obtain their license. The training was organized in cooperation with the Ministry of Agriculture, the Sector for Rural Development and the Institute for Applied Science in Agriculture.

COMPONENT 2: GET PILOT ACTION – SUPPORTING CHANGE

ACTIVITY A 2.1 Preparation of mechanisms for implementation of pilot projects (fully implemented in the First phase)	
Description of activity: Through this activity UNDP will, in close coordination with the EU Delegation, focus on establishment of the mechanisms for implementation of piloting actions to support green transition. Depending on type of the pilot project, two main modalities will be considered – financial support or expert support or both.	
Intervention	Status
Developing and agreeing on mechanism for implementation of pilot projects: co-financing mechanism	COMPLETED
Developing and agreeing on mechanism for implementation of pilot projects: expert support mechanism	COMPLETED
Deliverables: First phase: 1. Co-financing mechanism for implementation of pilot projects developed and agreed. 2. Expert support mechanism (“acceleration support”) for implementation of pilot projects developed and agreed.	1. COMPLETED 2. COMPLETED

As set in the project document, the co-financing mechanism for implementation of pilot projects, namely: Performance Based Payment Agreement (PBPA), Letter of Agreement with Municipalities (LoAs), grants with CSOs and Innovation awards. It also created expert support mechanism (“acceleration support”) to assist pilot project development and implementation. Based on independent evaluation applications submitted through the Challenge Call for the Green Transition of the Serbian Economy, the Project selected the best pilot and scale-up projects, and supported them further through the technical and financial support.

The Project published the **first Challenge Calls** in April 2022, namely the following:

1. Challenge Call for Proposals for Decarbonisation of the Economy and Depollution of the Environment (including ETS, non ETS and IPPC sectors),
2. Challenge Call for Innovative Solutions in the field of Circular Economy
3. Challenge Call for Innovative Solutions for Improving Air Quality
4. Challenge Call for Innovative Solutions in the field of Forest Ecosystem Restoration and Greening

In February 2023, the Project launched the second **Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy**, covering all five pillars of the Project:

1. Decarbonisation and Green Industry (including ETS, non ETS and IPPC sectors),
2. Circular Economy - conservation and better use of natural resources
3. Environmental pollution reduction with a particular focus on air,
4. Protection and conservation of nature and biodiversity and
5. Development of rural and sustainable food supply systems.

The Project held four cut-offs—in May 2023, February 2024, August 2024 and June 2025—to select the best applications, accelerate them, and provide further technical and financial support.

In line with **Pillar 3 requirements**, the Project launched:

1. Call for Expression of Interest for Technical Support in Development and/or Improvement of Air Quality Plans and/or Short-term Action Plans on Air quality Protection in 2022,
2. Open Call to Local Government Units for Co-financing of Air Protection Measures in 2023,
3. Second Open Call to Local Government Units for Co-financing of Air Protection Measures in 2024,
4. Third Open Call to Local Government Units for Co-financing of Air Protection Measures in 2025

In line with **Pillar 4 requirements**, the Project launched:

1. Public call for civil society organizations for the improvement of natural values in protected areas in 2023,
2. Second Challenge Call for Proposals for Society Organizations for Improving Natural Values in Protected Areas in 2024,
3. Challenge Call for Innovative Solutions for the Protection, Preservation and Revitalization of Wetland Habitats in 2024, with the financial support of the Government of Sweden, within the wider initiative "EU for the Green Agenda in Serbia".

In 2025, the Project developed a new financial model aimed at accelerating green investments and supporting the transition of companies in Serbia toward more sustainable and environmentally responsible operations. **In April 2025**, the Project launched two new complementary public calls aimed at scaling up green investments. Together, these calls were designed to mobilize green financing and facilitate the implementation of sustainable investments through blended financial mechanisms.

The first call, an **Expression of Interest (EOI)**, was directed at commercial banks and leasing companies interested in co-financing technically mature, bankable green projects proposed by public and private companies. These projects were expected to be financed through a combination of company equity, UNDP grants, and commercial loans. As a result, six banks and

two leasing companies expressed interest in supporting green investments, together with 36 project proposals submitted by public and private companies.

The second call, the **Public Call for Scale-up of Green Investment Projects**, targeted public and private companies, including SMEs, and supports green investments aligned with the five pillars of the Green Agenda. It provides both technical and financial support, through grants of up to 20% of the investment value for innovative and non-innovative bankable projects, as well as for projects requiring detailed energy audits.

The project continuously provided **mentorship and acceleration support** for selected projects. To ensure further progress and acceleration support, for each Public Call the Project engaged **technical experts- mentors**, to provide hands-on support in project development, evaluation, organise targeted trainings, monitor project implementation of selected project and prepare technical reports. Within the Public Call for Scale-up of Green Investment Projects, **financial experts** were also engaged to support communication with banks in acceleration process and facilitate of green loans for the applicants.

ACTIVITY A 2.2 Selection of pilot projects (fully implemented in the First phase)

Description of activity:

UNDP will always apply competitive process for selection of pilot projects, respecting transparency and equal possibilities. UNDP will apply gender equality principle to ensure that initiatives contribute to gender equality and to increase the likelihood of women's led initiatives to participate in competition.

UNDP will develop and apply mechanisms for selection of pilot projects – Innovation Challenge Calls - in close cooperation with the EU Delegation and relevant institutions. The methods of invitation/competition will depend on a typology of actions. Potential approaches will include public open calls for proposals and invitation to shortlisted entities (where principles of creation of short-lists will be clearly presented).

Regardless of the method of invitation, the selection procedure will be based on fair and transparent eligibility and selection criteria defined and presented to potential beneficiaries always in advance. The evaluation process will be carefully registered, justified and presented in the evaluation reports. The selection criteria will include:

- Level of preparedness of candidates – only candidates which have fulfilled necessary pre-conditions in a sense of experiences, capacities and any technical pre-conditions can be accepted,
- Commitment – only beneficiaries who have demonstrated a high level of commitment are acceptable. In this respect, the outputs from the A1 will be used as a reference,

- Level of co-financing provided by the beneficiaries,
- Level of change/impact, and contribution to Chapters 27 and 15,
- Innovativeness in approaches and potential connection between public and private sectors,
- Additionality to climate and environmental criteria, with underlying social and gender considerations,
- Attractiveness for blended finance and/or commercial loans.

For the purpose of selecting the projects and their evaluation against the criteria, UNDP will establish the team of independent experts. The experts will be selected based on their familiarity with the Green Agenda and related EU policy and practice. Experts from the EU member states/European countries will have competitive advantage in that regard. During the selection process, UNDP will make sure to identify those projects that have the potential to be financed through the EU financing instruments (IPA). UNDP will always consider inclusive approach, in particular for women entrepreneurship, but also in regard of promoting and strengthening of an inclusive dialogue (i.e. between decision-makers and civil society/citizens), as well as supporting less favoured municipalities and also seeking EU member state or broader European expertise. Similarly, UNDP will make sure that such EU expertise is provided in the form of guided mentorship to those projects that require further technical assistance to become ready for implementation support (the so called “acceleration process”).

When developing Challenge calls for selection of pilot projects, UNDP will consult with the EU Delegation. Also, where possible, the calls will target projects and other interventions demonstrating policies integration approach and horizontal (among pillars) coordination approach. In addition, while formulating the challenges, UNDP will make sure that interests of vulnerable and marginalized groups are taken into account. This will contribute to the inclusiveness and the “leaving no one behind” approach.

Upon completion of selection process, UNDP will initiate the acceleration process for the successful candidates. After the acceleration process, only those candidates that demonstrate best progress, results and maturity in terms of the initial criteria will be supported in implementation under A 2.3. The Steering Committee will make final decision on supporting most successful candidates in implementation, based on prior consultations with independent experts engaged through a competitive process.

Intervention	Status
Establishing mechanism for selection of pilot projects for climate action, decarbonization and energy efficiency: First and Second challenge call	COMPLETED

Establishing a mechanism for selection of pilot projects for industrial emissions and green industries: Third challenge call	COMPLETED
Establishing a mechanism for selection of pilot projects for a circular economy for resource efficiency and industrial symbiosis: Fourth Challenge Call	COMPLETED
Establishing a mechanism for selection of pilot projects for depollution of the environment with a strong focus on air quality	COMPLETED
Establishing a mechanism for selection of pilot projects for protecting and investing in biodiversity and ecosystems	COMPLETED
Establishing a mechanism for selection of pilot projects for sustainable rural livelihood.	COMPLETED
Selection of pilot projects	COMPLETED
Deliverables: First phase: 1. Mechanism for selection of pilot projects – the Innovation Challenge Calls launched, and evaluation completed: A) First Challenge Call for Decarbonisation of the economy, for the public and private sectors; B) Second Challenge Call for de-risking renewable energy (RE) investments; C) Third Challenge Call for industries falling under the IED (which started the work on permitting); D) Forth Challenge Call for circular economy, resource efficiency and industrial symbiosis; E) Fifth Challenge Call on air quality improvement pilot projects; F) Sixth Challenge Call on Afforestation for private entities to plant forestry cultures for commercial use in abandoned and degraded land plots and for LSGs G) Seventh Challenge call for Sustainable food systems; 2. Mini-grant programme for civil society improvements in protected areas launched and evaluation completed.	1. A) COMPLETED B) COMPLETED C) COMPLETED D) COMPLETED E) COMPLETED F) COMPLETED G) COMPLETED 2. COMPLETED

The Challenge Calls organised since 2022, received 463 applications in all five pillars of the Green Agenda. All eligible applications received were evaluated by the independent consultants using approved and agreed criteria set in each Challenge Call Guidance document. Based on the evaluation results of independent consultants, 250 projects are selected for the acceleration phase. During acceleration phase the projects are further developed and improved in line with Green Agenda objectives and Guidance documents specific for each Challenge Call. Applicants received technical support through targeted trainings and individual mentorship. After acceleration phase, projects were again evaluated by independent experts in line with evaluation criteria set in Guidance documents specific for each Challenge Call, and 94 most mature projects are proposed to receive co-financing, then approved by PSC Co-chairs.

ACTIVITY A 2.2 (1): Decarbonization and Green Industry component:

The first **Challenge Call for Proposals for Decarbonisation of the Economy and Depollution of our Environment** received 47 applications, resulting in 29 projects entering the acceleration phase, and **8 selected** for co-financing (Master Team, SCS Plus, HBIS, Elixir, Impol Seval, Carnex, AIK and BojEn).

The second **Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy** was launched in February 2023 and included 4 cut offs. In the 1st cut-off in 2023, out of 24 applications received, 8 projects entered the acceleration phase, and 2 were selected for co-financing (Papir Print and the Faculty of Dramatic Arts). The 2nd cut off in February 2024 received 31 applications, with 7 projects entering the acceleration phase. The 3rd cut off in August 2024 attracted 42 applications, and 27 projects advanced entering the acceleration phase. As a result, 3 projects (Toplana Niš, Umka, and RL Pirot) were selected for co-financing and PBPAs are signed. The 4th cut off in April 2025, out of 14 projects in the acceleration phase, 7 projects were selected for co-financing (Wienerberger, Sweet house, AIK Njegosevo, Zorka Keramika, Regional Landfill Subotica, Autostop and Elektropionir).

The project selected following projects (PBPA) within **Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy** are:

- Papir Print, pilot project receiving a grant of €109,560 (\$120,000).
- FDU, pilot project receiving a grant of €44,463 (\$48,700).
- Toplana Nis, pilot project receiving a grant of €200,860 (\$220,000).
- Umka, pilot project receiving a grant of €187,165 (\$205,000).
- RL Pirot, pilot project receiving a grant of €107,734 (\$118,000).
- Wienerberger, Kanjiža, pilot project receiving a grant of €92,600 (\$100,000).
- Sweet House, Sopot, scale-up project, receiving grant of €33,336 (\$36,000),
- Zorka Keramika, Šabac, scale-up project, receiving grant of €127,500 (\$150,000),
- AIK Njegosevo, Bačka Topola, scale-up project, receiving grant € 42,500 (\$50,000)

- Regional Landfill Subotica, pilot project, PBPA signed in 2026 after approval for providing co financing from founding municipalities
- Autostop and Elektropionir. PBPAs are not signed due to incomplete technical documentation and lack of necessary permits for project implementation

Within the **Public Call for Scale Up of Green Investment Projects** (PBPA) in 2025, under the Decarbonisation and Green Industry theme, 3 projects were selected for co-financing, namely:

- Repol, scale-up project, receiving grant € 100,993 (\$118,815)
- Bobi Stef, Sevojno, scale-up project, receiving grant € 126,637 (\$148,985)
- Mlino Mont Ltd, scale-up project, receiving grant € 127,500 (\$150,000)

ACTIVITY A 2.2 (2): Circular Economy component:

The first **Challenge Call for Proposals for Circular Economy** received 36 applications, resulting in 30 projects entering the acceleration phase, and **5 selected** for co-financing.

The second Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy was launched in February 2023 and included 4 cut offs. In the 1st cut-off in 2023, out of 39 applications received, 26 projects entered the acceleration phase, and 11 were selected for co-financing. The 3rd cut off in August 2024 attracted 42 applications, and 27 projects advanced entering the acceleration phase. As a result, 5 projects were selected for co-financing and PBPAs are signed.

The project selected following projects (PBPA) within Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy are:

- Promobet, receiving grant of €114,825 (\$132,440),
- Gralo d.o.o. Divci, receiving grant of €99,141 (\$114,350),
- Biološki fakultet, receiving grant of €27,744 (\$32,000),
- EkoFungi, receiving grant of €30,345 (\$35,000),
- Regionalna deponija Subotica, receiving grant of €65,068 (\$75,050),
- EUROMITEKS doo, Niš, receiving grant of €43,350 (\$50,000),
- Voćar Bogosavac, receiving grant of €99,211 (\$114,430),
- Steel Impex d.o.o., receiving grant of €173,400 (\$200,000),
- Vinča, receiving grant of €35,781 (\$41,270),
- ArTech, receiving grant of €34,680 (\$40,000),
- Digital Leather, receiving grant of €41,616 (\$48,000),
- MIVAKA, scale up project, receiving a grant of €185,200 (\$200,000),
- RKS Kompoziti, Čelarevo scale up project, receiving a grant of – €48,374 (\$52,240),
- Euro Spin Ltd, Vranje scale up project, receiving a grant of €37,040 (\$40,000)

- UNIPROMET Ltd, Čačak – €134,270 (\$145,000)
- Telespark scale up project, receiving a grant of €110,500 (\$130,000).

Within the **Public Call for Scale Up of Green Investment Projects** in 2025, under the Circular Economy theme, 3 projects were selected for co-financing (PBPA), namely:

1. Champicomp, receiving grant of €133,045 (\$156,524)
2. PUC Vodovod Krusevac, receiving grant of €120,278 (\$141,504)
3. Mlekara Sabac – PBPA not signed due to organizational constraints within the company.

ACTIVITY A 2.2 (3): Depollution/Air Quality component:

The first Challenge Call for Proposals for **Depollution/Air Quality** received 30 applications, resulting in 10 projects entering the acceleration phase, and 6 selected for co-financing (Municipality of Sokobanja, Emo Technique, Rush Delivery, Municipality of Uzice, Faculty of Mechanical Engineering University of Belgrade, Institute Mihajlo Pupin), while one project (ECO-M14/Rush Delivery) was later terminated due to non-implementation.

The **Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy** was launched in February 2023 and included 4 cut offs. In the 1st cut-off in 2023, out of 12 applications received, 8 projects entered the acceleration phase, and 5 were selected for co-financing. The 2nd cut off in February 2024 received 11 applications, 8 of which entered acceleration and 4 were selected for co-financing. The 3rd cut off in August 2024 attracted 21 applications, and 12 projects advanced entering the acceleration phase. As a result, 4 projects were selected for co-financing and PBPAs are signed.

The project selected following projects (PBPA) within Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy are:

- Ozonway d.o.o. Barajevo receiving grant of €48,389 (\$53,000)
- Public Utility Company Kruševac receiving grant of €32,726 (\$35,845)
- Savema d.o.o. receiving grant of €48,650 (\$53,286)
- Connect Clean Roma Group receiving grant of €45,650 (\$50,000)
- Green Decor d.o.o. receiving grant of €40,172 (\$44,000)
- Tekon Tehnokonsalting d.o.o receiving grant of €44,646 (\$48,900)
- Green Express d.o.o. receiving grant of €45,193 (\$49,500)
- Bibo Bot d.o.o. receiving grant of €45,193 (\$49,500),
- Institute for Biological Research "Siniša Stanković" (IBISS) receiving grant of €39,259 (\$43,000)
- SILBO Ltd, Belgrade receiving grant of €185,200 (\$200,000)
- SIGOC Ltd, Šimanovci receiving grant of €133,344 (\$144,000)

- Nelt Properties receiving grant of €170,000 (\$200,000),
- Gramis Invest Ltd receiving grant of €127,500 (\$150,000)

On the Public Call for Scale Up of Green Investment Projects, under the **Depollution/Air Quality** theme, 1 project was selected for co-financing (PBPA) , namely:

- Valjaonica bakra Sevojno a.d, receiving grant € 127,500 (\$150,000)
- Mlino Mont d.o.o., receiving grant € 127,500 (\$150,000)

The first Open Call to Local Self-Governments for co-financing air protection measures was closed on May 20, 2022. Of 7 applicants, 4 were selected for funding—2 from the EU budget (Zajecar, Bor)) and 2 from the SDC budget (Pirrot and Pancevo).

The second Open Call to Local Self-Governments for co-financing air protection measures was closed on 3 July, 2023. Of 15 applicants, 6 were selected for funding (Uzice, leskovac, Kraljevo, Valjevo, Sokobanja and Kragujevac), while 2 were conditionally selected upon budget availability (Paracin and Pancevo). Four were implemented (2 from the EU budget (Kraljevo, Valjevo) and 2 from the SDC budget (Leskovac and Užice). Two were not implemented (Sokobanja and Kragujevac) due to technical limitations. Out of the two that were conditionally approved, Paracin is ongoing while Pancevo is still pending budget availability.

“Third Open Call to Local Government Units for Co-financing of Air Protection Measures” was conducted (closed on 9 May 2025), and the Project Team has received 9 applications to the Call. Based on the evaluation results of the engaged external independent consultants, the Project selected for co-financing 2 LSGs (Bujanovac and Zaječar). Bujanovac is ongoing while Zajecar is still pending.

ACTIVITY A 2.2 (4): Nature Protection/Afforestation component:

The first Challenge Call for Proposals for Nature Protection/ Afforestation received 26 applications, resulting in 13 projects entering the acceleration phase, and 6 selected for co-financing , while one project (the Municipality of Ruma) was later terminated due to non-implementation.

The Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy was launched in February 2023 and included 4 cut offs. In the 1st cut-off in 2023, out of 19 applications received, 7 projects entered the acceleration phase, and 3 were selected for co-financing. The 2nd cut off in February 2024 received 25 applications, 11 of which entered acceleration and 7 were selected for co-financing. The 3rd cut off in attracted 5 applications, one for selected for financing in February 2025 (IMR). Within the fourth cut off the Open ended call (May 2025) the project received two applications and both were selected for co-financing.

The project selected following projects(PBPA)within Open-ended Challenge Call for Proposals for Innovative Solutions for the Green Transition of the Serbian Economy are:

- Institute for Multidisciplinary Research, € 14,408 (\$ 15,560)
- Public utility company: Drugi oktobar, Vrsac €25,637.00 (\$30,000.00)
- University of Belgrade, Faculty of Biology – € 19,740.00 (\$23,100.00)

The First Public Call for Civil Society Organizations for the Improvement of Natural Values in Protected Areas received a total of 31 applications in May of 2023 and 13 project proposals were selected for financial support in the form of Low Value Grant Agreements (LVGA). Out of them, five selected projects were financed through the EU budget contribution of €68,103 (\$74,593) while the other eight were supported through the Swiss Development Cooperation (SDC) budget contribution of €105,603 (\$115,666).

The Second Public Call for Civil Society Organizations for the Improvement of Natural Values in Protected Areas published in 2024 received a total of 32 applications. The project selected 5 projects for financial support in the form of Low Value Grant Agreements (LVGA), from the EU budget contribution, with total value of €68,486.96 (\$73,960.00).

SIDA funded Challenge call for Innovative Solutions for Wetland Habitat Protection, Preservation, and Revitalization, received a total of 16 applications. The project selected 12 applications for accelerator. The project selected 6 projects for financial support in the form of PBPA in 2025 with the project co-financing of € 440,806 (\$516,035).

ACTIVITY A 2.2 (5): Sustainable Agriculture and Rural Development component: In the first cut-off phase of the 2023 Challenge Call, the agriculture component was included for the first time. The Project invited rural farmers, farmers' associations, cooperatives, registered agricultural holdings, managers of protected areas and entrepreneurs active in the area of sustainable agriculture, to submit their project proposals. Out of 17 received application for environmentally friendly food production and organic farming adjacent to protected areas, the Project Team selected five projects, which were approved for co-financing by the PSC co-chairs in July 2023, while 4 projects were co-financed and implemented by the end of June 2024 (one project withdrew from the process during contracting).

In the second cut-off phase of the 2023 Challenge Call (December 2023), 2 projects out of 9 received project proposals were selected by the Project Team co-financing by the PSC Co-chairs in March/April 2024 and implemented in the reporting period (by December 2024). One project withdrew from the process during contracting).

In the third cut-off phase of the Challenge Call, 9 applications were received and evaluated, however none of the project proposals met the evaluation criteria, hence no project proposal was selected for co-financing.

2021/429-150

01 January 2025 – 31 December 2025

In this way, the total number of projects supported so far in this component is six.

ACTIVITY A 2.3 Implementation of pilot projects (partially implemented in the First phase and partially in the Second phase)
Description of activity:

The pilot projects will be implemented throughout all five priority areas. Special attention will be given to decarbonisation, circular economy and air quality, although activity includes potential action for all five areas.

After a successful acceleration process, UNDP, in close consultations with EU Delegation, will allocate co-financing for implementation in the form of Performance-based payment agreements (PBPs) and/or through guarantee schemes for de-risking access to green loans and other borrowings for public and private entities. In case of the projects that are identified as eligible for IPA financing (or financing through other EU financing instruments), the EU Delegation might submit such projects for the IPA programming process or other appropriate co-financing. PBPs as contracting modality bring more value compared to regular grants as they represent a kind of partnership agreement with the beneficiary. This contracting modality is used when donor/contractor and beneficiary agree to jointly achieve certain development goals. PBPs ensure measurable and sustainable development results, validated by the Project Steering Committee based on the prior assessment of the independent assessors. Guarantee for access to loans and other borrowings is a co-financing mechanism that will primarily serve the purpose of de-risking investments into green businesses transformation (e.g. innovative technologies and business models put forward by public and private entities).

Both, the PBPs and guarantees, support innovation and accountability and the recipient must be financially viable and able to bear upfront costs. Applying PBPs provide greater certainty to donors concerning the Value for money for scarce development funds and they reduce donor's financial and reputational risks.

Intervention	Status
Implementation of potential pilot projects for climate action, decarbonization and energy efficiency	ONGOING
Implementation of potential pilot projects for Industrial emissions and green industries	ONGOING
Implementation of potential pilot projects for circular economy for resource efficiency and industrial symbiosis	ONGOING
Implementation of potential pilot projects for depollution of the environment with strong focus on air quality	ONGOING

Implementation of potential pilot projects for protecting and investing in biodiversity and ecosystems	ONGOING
Implementation of potential pilot projects for sustainable food systems for sustainable rural livelihood.	COMPLETED
All expected deliverables of Component 2: First phase: 1. At least 10 innovative solutions for lowering the carbon intensity of ETS operators (falling under the EU ETS) and at least 10 innovative solutions of entities from non-ETS sectors further elaborated; 2. 1 innovative solution from a non-ETS sector entity implemented (with seed co-financing); 3. 1 innovative solution from ETS operator implemented (with seed co-financing); 4. At least 10 bankable investment projects in clean technologies for selected industries prepared; 5. Identified BATs implemented by at least 1 selected industry (with seed co-financing); 6. At least 15 projects of public and private companies for increasing waste collection and recycling rates further elaborated; 7. Projects of up to 5 public and private entities, for increasing waste collection and recycling rates (for communal and non-hazardous wastes) implemented (with seed co-financing); 8. At least 5 innovative measures from the Challenge call for reduced air pollution at the municipal level further elaborated; 9. At least 3 pilot measures for air quality improvements in pilot areas implemented; 10. At least 3 feasible priority and "no-regret" measures from the local Air Quality Plans/Short-term Action Plans implemented (option to blend funds with LSG's financing allocated for the implementation of measures); 11. At least 2 of the Clean Air Innovation Challenge call projects, already vetted by UNDP, implemented (where	1. COMPLETED 2. COMPLETED 3. COMPLETED 4. COMPLETED 5. COMPLETED 6. COMPLETED 7. COMPLETED 8. COMPLETED 9. ONGOING 10. COMPLETED 11. COMPLETED

additional financing, provided that the applicants have secured the majority of financing for their mature projects);	
12. Up to 3 feasibility studies developed for afforestation of concrete areas;	12. COMPLETED
13. Pilot measures for afforestation of 43 ha implemented by the National Afforestation Body in cooperation with municipalities and the private sector as identified through the Sixth Challenge Call;	13. COMPLETED (afforested 105 ha in total)
14. At least 5 CSO projects for small-scale improvements in protected areas management implemented;	14. COMPLETED
15. One measure from one out of three forest landscape restoration plans implemented;	15. COMPLETED
16. At least one NbS pilot measure related to a protected area management plan implemented;	16. ONGOING
17. At least 3 measures for the organic and environmentally friendly food production implemented;	17. COMPLETED
18. Blockchain-based food traceability platform developed.	18. COMPLETED
Second phase:	
1. 2 innovative solutions of selected ETS operators implemented (with seed co-financing);	1. COMPLETED
2. 2 innovative solutions of selected non-ETS entities implemented (with seed co-financing)	2. COMPLETED
3. At least 3 viable and affordable renewable energy solutions from both, public and private sector, implemented;	3. COMPLETED
4. Identified BATs implemented by at least 2 selected industries (with seed co-financing);	4. COMPLETED
5. Projects of up to 10 public and private entities, for increasing waste collection and recycling rates (for communal and non-hazardous wastes) implemented (with seed co-financing);	5. COMPLETED
6. At least 2 pilot measures for air quality improvements in pilot areas implemented;	6. COMPLETED
7. At least 1 of the Clean Air Innovation Challenge call projects, already vetted by UNDP, implemented (where	7. COMPLETED

additional financing, provided that the applicants, have secured the majority of financing for their mature projects);	8. COMPLETED
8. At least 2 feasible priority and “no-regret” measures from the local Air Quality Plans/Short-term Action Plans implemented (option to blend funds with LSG’s own financing allocated for the implementation of measures);	9. COMPLETED
9. Pilot measures for afforestation of 102 ha implemented by National Afforestation Body in cooperation with municipalities and private sector as identified through Sixth Challenge Call;	10. COMPLETED
10. two measures from two forest landscape restoration plans implemented;	11. COMPLETED
11. At least 2 measures for the organic and environmentally friendly food production implemented;	

ACTIVITY A 2.3 (1): Decarbonization and Green Industry component: The Project continued support and implementation of the selected pilot projects from the Decarbonization Accelerator. The Project Team, mentors and MEP representatives monitored project implementation and visited projects on sites.

Since the beginning of the implementation, the Project selected 19 projects for co-financing as a result of the acceleration process. In the previous period, 9 pilot projects from the Decarbonisation and Green Industry have been signed and completed:

1. “Responsible business – to meet the future with a zero carbon footprint”, implemented by SCS Plus d.o.o. Knjaževac, non-ETS sector, the total project investment is € 284,060 (\$331,072) while the provided co-financing amounts to € 39,723 (\$46,297) (14%), from the EU budget contribution. Status: finalised in June 2023.
2. “Reduction of CO₂ emission in solar collectors’ production”, implemented by Master Team d.o.o. Beograd, non-ETS sector, the total project investment is € 158,889 (\$185,185) while the provided co-financing amounts to € 39,723 (\$46,297) (25 %), from the EU budget contribution. Status: finalised in June 2023.
3. “Introduction of a new PLC for processing data from the MEAC system on continuous dust meters”, implemented by HBIS Group Serbia Iron & Steel d.o.o. Beograd, BAT- IPPC sector and ETS sector, the total project investment is € 49,781 (\$58,020) while the provided co-financing amounts to €16,286 (\$18,982) (33 %), from the EU budget contribution. Status: finalised in May 2023.

4. "Roadmap of decarbonization of the industry on the example of companies for mineral fertilizers and phosphoric acid production in Serbia", non-ETS and CBAM sector, implemented by Elixir Group d.o.o. Šabac, the total project investment is €492,388 (\$573,878.87) while the provided co-financing amounts to €110,339 (\$128,600.82) (22%), from the EU budget contribution. Status: finalised in December 2023.
5. "Reduction of greenhouse gas emissions by treatment of biodegradable waste in the biogas power plant in Bojnik", implemented by "BojEn doo", non-ETS sector, the total project investment is € 3,195,500 (\$3,455,000), while the provided co-financing amounts to €41,085 (\$45,000) (1.29%), from the SECO budget contribution. Status finalised in December 2023.
6. "Revitalization of the furnace for annealing aluminium strips V-5/3 to reduce GHG emission", implemented by "Impol Seval, Valjaonica Aluminijuma a.d. Sevojno", BAT- IPPC sector and ETS sector and CBAM, the total project investment is €1,090,691 (\$1,194,623), while the provided co-financing amounts to €187,165 (\$205,000) which represents 17%. The project is co-financed from the EC budget contribution. Status: finalised in November 2024.
7. "Use of animal by-products from the food industry for the production of energy in a biogas installation", "Carnex d.o.o. Meat Industry Vrbas", BAT- IPPC sector, the total project investment is €330,506 (\$362,000), while the provided co-financing amounts to €131,472 (\$144,000) which represents 40%. The project is co-financed from the SECO budget contribution. Status: finalised in November 2024.
8. "Construction of secondary wastewater treatment facility", "AIK Bačka Topola doo", BAT- IPPC sector, the total project investment is €335,071 (\$367,000), while the provided co-financing amounts to €132,385 (\$145,000), which represents 40%. The project is co-financed from the SECO budget contribution. Status: finalised in March 2024.
9. "From treatment of waste gases to green energy", "Papir print d.o.o.", BAT- IPPC sector, the total project investment is €273,900 (\$300,000), while the provided co-financing amounts to €109,560 (\$120,000) which represents 40%. This project is co-financed from the SECO budget contribution. Status: finalised in November 2024.

The following PBPA **continued with implementation in 2025:**

1. "Green FDU", The Faculty of Dramatic Arts, pilot project, non-ETS sector, the total project investment is €188,638 (\$206,613), while the provided co-financing amounts to €44,463 (\$48,700), which represents 24%. This project is co-financed from the EU budget contribution. Status: Ongoing.
2. "Green and innovative district heating facilities", PUC City Heating plant Niš, BAT- IPPC sector and ETS sector, pilot project, the total project investment is €871,070 (\$954,075), while the provided co-financing amounts to €200,860 (\$220,000), which represents 23%. The project is co-financed through the EU budget contribution. Status: Ongoing.
3. "Construction of biological wastewater treatment plant with biogas utilization", Umka d.o.o., pilot project, BAT- IPPC sector and ETS sector, the total project investment is

€6,078,754 (\$6,658,000), while the provided co-financing amounts to €187,165 (\$205,000), which represents 3%. The project is co-financed from the EU budget contribution. Status: Ongoing.

4. "Decarbonisation of Regional Landfill Pirot", PUC "Regionalna deponija Pirot", pilot project, BAT- IPPC sector, the total project investment is €269,335 (\$295,000), while the provided co-financing amounts to €107,734 (\$118,000), which represents 40%. The project is co-financed through the EU budget contribution. Status: Ongoing
5. "Resource efficiency in the roof tile production to reduce carbon footprint", Wienerberger, Kanjiža, BAT- IPPC sector and ETS sector, pilot project, the total project investment is €365,307 (\$394,500), while the provided co-financing amounts to €92,600 (\$100,000) which represents 25%. This project is co-financed through the EU budget contribution. Status: Ongoing.
6. "Decarbonization in sustainable food production for empowering woman", Sweet House Sopot scale-up project, non-ETS sector, the total project investment is €67,227 (\$72,600), while the provided co-financing amounts to €33,336 (\$36,000) which represents 49%. Amount estimated from the loan is €33,892 (\$36,600). The project is co-financed through the EU budget contribution. Status: Completed in September 2025.
7. "Innovative solution for the treatment of industrial sludge", AIK Njegoševo doo, non-ETS sector, scale-up project, the total project investment € 404,770 (\$476,200) while the provided co-financing amounts to €42,500 (\$50,000), which represents 10.5 %. Amount estimated from the loan is €170,000 (\$200,000). The project is co-financed through the SECO budget contribution. Status: Ongoing;
8. "Green initiative in ceramic industry towards optimization of production processes and decarbonization", Zorka Keramika doo Beograd, scale-up project, BAT- IPPC sector and ETS sector, the total project investment € 675,750 (\$795,000) while the provided co-financing amounts to €127,500 (\$150,000), which represents 19%. Amount estimated from the loan is € 425,000 (\$500,000). The project is co-financed through the SECO budget contribution. Status: Ongoing
9. "Scaling Polymer Recycling for Deep Decarbonization", Repol doo Valjevo, non-ETS sector, scale-up project, the total project investment is €2,440,557 (\$2,871,243) while the provided co-financing amounts to €100,398 (\$118,115), which represents 4.1%. Amount estimated from the loan is €618,524 (\$727,675). The project is co-financed through the SECO budget contribution. Status: Ongoing
10. "Green production of windows and doors", Bobi Stef Sevojno, non-ETS sector, scale-up project, the total project investment is €932,668 (\$1,097,257) while the provided co-financing amounts to €126,127 (\$148,985), which represents 13.5%. Amount estimated from the loan is €148,000 (\$174,117). The project is co-financed through the SECO budget contribution. Status: Ongoing
11. "Green Energy for Waste Treatment", implemented by Regional Landfill Subotica d.o.o. Subotica, BAT- IPPC sector, the total project investment is €56,628(\$66,000), while the provided co-financing amounts to €25,225(\$29,400), which represents 45%. This project is co-financed from the SECO budget contribution. Status: Approved in 2025, PBPA signed in February 2026.

ACTIVITY A 2.3 (2): Circular Economy component:

The Project continued support and implementation of the selected pilot projects from the Circular Economy Accelerator. The Project Team, mentors and MEP representatives monitored project implementation and visited projects on sites.

Since the beginning of the implementation, the Project selected 19 projects for co-financing as a result of the acceleration process. In the previous period, 15 pilot projects from the Circular Economy have been signed and completed:

1. "Biodegradation of Plastic – Establishing an Incubator Center (Phase I)", implemented by Belinda Animals d.o.o, the total project investment is €144,078 (\$157,807), while the provided co-financing amounts to €43,223 (\$47,342), which represents 30%, from the EU budget contribution. Status: finalised in December 2023.
2. "Industrial Symbiosis – Innovative Strategy for Sustainability of Women Social Entrepreneurship, implemented by Jelena Miletić Preduzetnik, Zavičaj u Tegli, the total project investment is €78,110 (\$85,553), while the provided co-financing amounts to €27,390 (\$30,000), which represents 35%, from the EU budget contribution. Status: finalised in December 2023.
3. "Recycling of plastic and metal waste Phase II, implemented by Ecological Cooperative Connect Clean Roma Group Novo Miloševo, the total project investment is €116,874 (\$128,011), while the provided co-financing amounts to 47,486 (\$52,011), which represents 41%, from the EU budget contribution. Status: finalised in December 2023.
4. "Eco-Gym", implemented by Centar za unapređenje preduzetništva mladih, the total project investment is €79,840 (\$87,448), while the provided co-financing amounts to, €33,815 (\$37,037), which represents 42%, from the EU budget contribution. Status: finalised in December 2023.
5. "Pencils and Crayons from Old Newspapers", implemented by NewPen d.o.o, the total project investment is €18,786 (\$20,576), while the provided co-financing amounts to €9,393 (\$10,288), which represents 50%, from the EU budget contribution. Status: finalised in December 2023.
6. "Zero – waste porous pavement alternatives for flood resilient cities", implemented by Promobet, the total project investment €2,224,013 (\$2,435,940), while the provided co-financing amounts to €120,918 (\$132,440), which represents 5%, from the SDC budget contribution. Status: finalised in December 2024.
7. "AT THE SOURCE OF THE POSSIBLE – GRALO (GRAd+seLO) – the first holistic estate as a whole of sustainable development", implemented by Gralo d.o.o, Divci, the total project investment is €505,008 (\$553,130), while the provided co-financing amounts to €104,402 (\$114,350), which represents 21%, from the SDC budget contribution. Status: finalised in December 2024.

8. "Producing chitin and chitin nanopowder utilizing secondary products from organic Oyster mushroom production", implemented by Eko Fungi d.o.o, the total project investment is €71,305 (\$78,100), while the provided co-financing amounts to €25,838 (\$28,300), which represents 36%, from the SDC budget contribution. The contract is terminated after two tranches are paid.
9. "Biowaste management model as a basis for the development of the principles of circular economy and energy efficiency", implemented by Agricultural Cooperative Voćar Bogosavac, the total project investment is €616,732 (\$675,500), while the provided co-financing amounts to €104,475 (\$114,430), which represents 17%, from the SDC budget contribution. Status: finalised in October 2024.
10. "Green technologies for obtaining antimicrobial composites for use in cosmetics", implemented by Vinča Institute of nuclear sciences, University of Belgrade, the total project investment is €91,300 (\$100,000), while the provided co-financing amounts to €37,680 (\$41,270), which represents 41%, from the EU budget contribution. Status: finalised in December 2024.
11. "Improving the utilization of industrially processed animal leather through the application of artificial intelligence", implemented by DigitalLeather d.o.o, the total project investment is €87,648 (\$96,000), while the provided co-financing amounts to €43,824 (\$48,000), which represents 50%, from the EU budget contribution. Status: finalised in December 2024.
12. "Recycling of fractions obtained from the treatment of automotive waste - Innovative mechanism of the recycling center in Krnješevci", implemented by Steel Impex d.o.o, the total project investment is €1,141,250 (\$1,250,000), while the provided co-financing amounts to €182,600 (\$200,000), which represents 16%, from the EU budget contribution. Status: finalised in December 2024.
13. "ReTex - Reuse of Construction Textiles", implemented by ArTech inženjering d.o.o, the total project investment is €73,040 (\$80,000), while the provided co-financing amounts to €36,520 (\$40,000), which represents 50%, from the EU budget contribution. Status: finalised in December 2024.
14. "From biowaste to biocosmetics", implemented by The Faculty of Biology, University of Belgrade, the total project investment is €60,392 (\$66,147), while the provided co-financing amounts to €29,216 (\$32,000), which represents 48%, from the SDC budget contribution. Status: finalised in December 2024.
15. "EcoBlock - Construction Block Made from Recycled Plastic, Textile, and Rubber Materials", implemented by Euromiteks d.o.o, the total project investment is €114,636 (\$125,560), while the provided co-financing amounts to €45,650 (\$50,000), which represents 40%, from the SDC budget contribution. Status: finalised in December 2024.
16. "From biowaste to protein treasure", implemented by MDM Solutions, the total project investment is €415,415 (\$455,000), while the provided co-financing amounted to €124,625 (\$136,500), from the SDC budget, but the Contract expired with no delivered results.

The following PBPA's continued with implementation in 2025:

1. "Regional Landfill Subotica", cofinanced with 55% of the total investment value i.e. €68,521 (\$75,050), from the SDC budget. Status: Ongoing.
2. "Play till the end for the new beginning - using cellulose pulp for the production of organic fertilizer", MIVAKA Ltd, Belgrade, the total project investment is €1,807,537 (\$1,951,984), while the provided co-financing amounts to €185,200 (\$200,000) which represents 10%. Amount estimated from the loan is €313,152 (\$289,978). Status: Completed in October 2025
3. "Establishment of continuous process of recycling of waste drip irrigation system", RKS Kompoziti Čelarevo, the total project investment is €194,954 (\$210,534), while the provided co-financing amounts to €48,374 (\$52,240) which represents 25%. Amount estimated from the loan is €128,245 (\$138,494). Status: Completed in October 2025
4. "Production of eco sponges - by recycling waste sponges", Euro Spin Ltd, Vranje, the total project investment is €277,800 (\$300,000), while the provided co-financing amounts to €37,040 (\$40,000) which represents 13%. Amount estimated from the loan is €37,040 (\$40,000). Status: Ongoing
5. "Regeneration of waste hydrochloric acid from the technological process of hot galvanizing", UNIPROMET Ltd, Čačak, the total project investment is €2,005,177 (\$2,165,419), while the provided co-financing amounts to €134,270 (\$145,000) which represents 7%. Amount estimated from the loan is €324,352 (\$350,273). The Contract expired with no delivered results.

ACTIVITY A 2.3 (3): Depollution/Air Quality component

The Project continued support and implementation of the selected pilot projects from the **Depollution/Air Quality Accelerator**. The Project Team, mentors and MEP representatives monitored project implementation and visited projects on sites.

Since the beginning of the implementation, the Project selected 19 projects for co-financing as a result of the acceleration process. In the previous period, 9 pilot projects from the Depollution/Air Quality Accelerator have been signed and completed:

1. "Geothermal water sources for heating school buildings in Sokobanja", municipality of Sokobanja – the total project investment is €192,643 (\$211,000), while the provided co-financing amounts to € 57,686 (63,183), which represents 30%. The project is co-financed from the EC budget contribution. Status: Completed in December 2023.
2. "Smart zero-energy city network of air pollution control devices with a digital remote operation (Street Air Purifier)", Institute Mihajlo Pupin – the total project investment is €136,950 (\$150,000), while the provided co-financing amounts to €45,650 (\$50,000) which represents 33%. The project is co-financed from the EC budget contribution. Status: Completed in December 2023.

3. "Solution for Improved Efficiency of Combustion in Individual Fire Boxes "Easy Control", Emo technique LLC – the total project investment is € 98,494 (\$107,879), while the provided co-financing amounts to €39,123 (\$42,851), which represents 40%. The project is co-financed from the EC budget contribution. Status: Completed in December 2023.
4. "Improving air quality by utilization of advanced fuel (biomass pellets) in small scale household appliances", the Faculty of Mechanical Engineering, University of Belgrade – the total project investment is €49,302 (\$54,000), while the provided co-financing amounts to €19,720 (\$21,600), which represents 40%. The project is co-financed from the EC budget contribution. Status: Completed in December 2023.
5. "Improving air quality by reducing energy poverty, in the City of Užice", City of Užice - the total project investment is €70,687 (\$77,422), while the provided co-financing amounts to €28,096 (\$30,773), which represents 40%. The project is co-financed from the EC budget contribution. Status: Completed in September 2024.
6. "Energy box", ECO-M14 – the total project investment is €90,611 (\$99,245), while the provided co-financing amounts to €27,180 (\$29,770), which represents 30%. The applicant withdrew in October 2023, therefore no payment has been performed.
7. "Sustainable and efficient management of cable insulation plastic", Ecological cooperation "Connect Clean Roma Group", Novo Miloševo – the total project investment is €91,300 (\$100,000), while the provided co-financing amounts to €45,650 (\$50,000), which represents 50%. The project is co-financed from the EC budget contribution. Status: Completed without paying the second tranche €4,565 (\$5,000) due to irregular documentation.
8. "An efficient and environmentally friendly means of dust and air pollution suppression", "Savema LLC" – the total project investment is €97,349 (\$106,625), while the provided co-financing amounts to €48,650 (\$53,286), which represents 50%. The project is co-financed from the EC budget contribution. Status: Completed in December 2024.
9. "Green industry", "Public Utility Company Kruševac" – the total project investment is €65,453 (\$71,690), while the provided co-financing amounts to €32,726 (\$35,845), which represents 50%. The project is co-financed from the EC budget contribution. Status: Completed in September 2024.

The following PBPA's continued with implementation in 2025:

1. "Reduction of ammonia emissions in poultry farming through the use of brown seaweed extract (Ascophyllum nodosum)", "Ozonway LLC, Barajevo" - the total project investment is €97,691 (\$107,000), while the provided co-financing amounts to €48,389 (\$53,000), which represents 50%. The project is co-financed from the EC budget contribution. Status: Completed in April 2025

2. "Cargo Bike Delivery Service", Green Express d.o.o. - the total project investment is €91,300 (\$100,000), while the provided co-financing amounts to €45,193 (\$49,500), which represents 50%. The project is co-financed from the EC budget contribution. Status: Completed in July 2025.
3. "A path to a successful decarbonization through green cassette roofs", "Green Decor LLC", the total project investment is €81,175 (\$88,910), while the provided co-financing amounts to €40,172 (\$44,000), which represents 49%. The project is co-financed from the SDC budget contribution. Status: Completed in September 2025.
4. "High-capacity mobile equipment for fire extinguishing in open spaces", "Tekon-Tehnokonsalting d.o.o.", the total project investment is €91,117 (\$99,800), while the provided co-financing amounts to €44,646 (\$48,900), which represents 49%. The project is co-financed from the EC budget contribution. Status: Completed in December 2025.
5. "Bibo Wizard", Bibo Bot d.o.o. - the total project investment is €91,300 (\$100,000), while the provided co-financing amounts to €45,193 (\$49,500), which represents 50%. The project is co-financed from the EC budget contribution. Status: Ongoing
6. Wetlands & Wines - Pilot project for the phytoremediation of wastewater from the Pusula family winery using constructed wetlands", Institute for Biological Research "Siniša Stanković" (IBISS) - the total project investment is €86,735 (\$95,000), while the provided co-financing amounts to €39,259 (\$43,000), which represents 45%. The project is co-financed from the SDC budget contribution. Status: Ongoing
7. "Centralized automated warehouse with integrated geothermal energy system", Nelt Co. d.o.o. - the total project investment is €2.143,690 (\$2,315,000.00), (as part of the greater project which cost is €63,910,000 (\$70,000,000)), while the provided co-financing amounts to €185,200 (\$200,000), which represents 8.6%. The project should be co-financed from the SDC budget contribution. Status: Ongoing.
8. "Geothermal Green House – Lješka", Gramis Invest d.o.o. - the total project investment is €4,028,320 (\$4,739,200), while the provided co-financing amounts to €127,500 (\$150,000), which represents 3.1%. The project should be co-financed from the SDC budget contribution. Status: Ongoing.
9. "Implementation of an Innovative CO₂ Refrigeration System to Reduce Greenhouse Gas Emissions and Improve Air Quality", Silbo d.o.o. Šimanovci - the total project investment is €4,668,423 (\$5,113,278), while the provided co-financing amounts to €185,200 (\$200,000), which represents 3.9%. The project should be co-financed from the EC budget contribution. Status: Completed in December 2025.
10. "Zero-Waste Production Line for POS Displays, Planter Boxes, and Solar Panel Stands", Sigoc d.o.o. - the total project investment is €2,300,000 (\$2,519,168), while the provided co-financing amounts to €131,472 (\$144,000), which represents 6%. The project should be co-financed from the EC budget contribution. Status: Completed in November 2025.

Within the "Open Call for Local Self-government Units for Co-financing of Air Protection Measures", the following four Letters of Agreement (LoA) were signed and completed:

1. "Destruction of ragweed and raising public awareness of the harmful impact of allergen pollen", the City of Pančevo – the total project investment is €91,920 (\$100,680), while the provided co-financing amounts to €39,240 (\$42,980), which represents 43%, from the SDC budget contribution. Status: Completed in December 2024 .
2. "Display of air quality data on screens placed in a public place with a high frequency of citizens in the city of Bor", the City of Bor – the total project investment is €42,545 (\$46,600), while the provided co-financing amounts to €21,272 (\$23,300), which represents 50% from the EC budget contribution. Status: Completed in January 2025).
3. "Installation of analysers for measuring ground-level ozone and nitrogen oxides in the existing automatic air quality station", the City of Pirot – the total project investment is €42,837 (\$46,920), while the provided co-financing amounts to €21,418 (\$23,460), which represents 50%, from the SDC budget contribution. Status: Completed in April 2024.
4. "Replacement of a coal-fired boiler with a natural gas boiler in the "Crvena zvezda" boiler house.", the City of Leskovac – the total project investment is €257,316 (\$281,836), while the provided co-financing amounts to €126,314 (\$138,350), which represents 49%, from the SDC budget contribution. Status: Completed in June 2025.
5. "Cadaster of individual heating units and replacement of the heating systems used by socio-economically vulnerable households in the City of Valjevo", the City of Valjevo – the total project investment is €44,968 (\$49,253), while the provided co-financing amounts to €31,398 (\$34,390), which represents 70%, from the EC budget contribution. Status: Completed in December 2025.
6. "Instalment of meteorological station and replacement of solid fuel boilers with heat pumps and pellet and gas boilers""", the City of Užice – the total project investment is €57,519 (\$63,000), while the provided co-financing amounts to €27,390 (\$30,000), which represents 48%, from the SDC budget contribution. Status: Completed in July 2025.

The following LoAs continued with implementation in 2025:

7. "Switching to a remote heating system at the School "Ivo Lola Ribar", the City of Kraljevo – the total project investment is €84,224 (\$92,250), while the provided co-financing amounts to €58,971 (\$64,590), which represents 70%, from the EC budget contribution. Status: Ongoing.
8. "Replacement of the old inefficient wood/coal boiler in the kindergarten "Ljiljan" with a boiler using compressed natural gas", the City of Zaječar – the total project investment is €75,779 (\$83,000), while the provided co-financing amounts to €37,889 (\$41,500), which represents 50%, from the EC budget contribution. Status: Completed in June 2025.
The City of Zaječar has faced difficulties in the implementation of the project: After initial challenges in finalizing technical documents for conducting the works (causing delays that resulted in the amendment of the end date), they reported

that in November 2024 there was a failure in functioning of existing coal-fuelled boiler interrupting the heating process (the boiler was partially and temporarily repaired without guarantees for the duration of its operation). As this event led to the urgency of boiler replacement, the City administration suggested modifying project activities, namely: instead of procuring and installing a CNG boiler, the City proposes procurement and instalment of a pellet boiler. This modification shall require less time and resources and not require gas-related permits. Therefore, the project end date was extended until the 30th of June 2025.

9. "Replacement of polluting heating systems in public facilities in the Municipality of Bujanovac.", the municipality of Bujanovac - the total project investment is €41,160 (\$49,000), while the provided co-financing amounts to €31,761.80 (\$34,300), which represents 70%, from the EC budget contribution. Status: Ongoing.
10. "Conversion of the boiler room for central heating from solid fuel to natural gas in "Branko Radičević" elementary school in Popovac", the municipality of Paracin - the total project investment is €65,901.26 (\$71,167.67), while the provided co-financing amounts to €45,384.18 (\$49,011), which represents 69%, from the EC budget contribution. Status: Ongoing.

ACTIVITY A 2.3 (4): Nature Protection/Afforestation component:

The Project continued support and implementation of the selected pilot projects from the **Nature Protection/Afforestation Accelerator**. The Project Team, mentors and MEP representatives monitored project implementation and visited projects on sites.

Since the beginning of the implementation, the Project selected 18 projects for co-financing as a result of the acceleration process. In the previous period, 16 pilot projects from the Nature Protection/Afforestation Accelerator have been completed:

1. "Blue-green Serbia", Public Water Utility Company "Srbijavode", the total project investment is €172,172 (\$188,578), while the provided co-financing amounts to €60,273 (\$66,017) which represents 35%, from the EC budget contribution. Status: Completed.
2. "Afforestation with the seedlings which production involved the use of biological preparations", "Forestry LLC", the total project investment is €33,092 (\$36,245), while the provided co-financing amounts to €13,226 (\$14,486), which represents 40%, from the EC budget contribution. Status: Completed.
3. "Nature-based solutions in the service of protection and improvement of the Botanical Garden Jevremovac", the University of Belgrade, the Faculty of Biology, the total project investment is €73,040 (\$80,000), while the provided co-financing amounts to €15,064 (\$16,500), which represents 21%, from the SDC budget contribution. Status: Completed.

4. "New green oases in Valjevo", the City of Valjevo – the total project investment is €15,138 (\$16,581), while the provided co-financing amounts to €6,055 (\$6,633), which represents 40%, from the SDC budget contribution. Status: Completed.
5. "Formation of a protective green belt on public green areas", City of Pirot – the total project investment is €33,642 (\$36,848) while the provided co-financing amounts to €12,782 (\$14,000), which represents 38%, from the EC budget contribution. Status: Completed.
6. "Revitalization of meadow and steppe habitats for the preservation of biodiversity in Vršac Mountains" – Public Utility Company "Drugi oktobar", Vršac – the total project investment is €45,650 (\$50,000), while the provided co-financing amounts to €22,825 (\$25,000), which represents 50%, from the SDC budget contribution. Status: Completed.
7. "Preservation and improvement of the biodiversity of the Studenica watershed ", "Forestry LLC" – the total project investment is €87,580 (\$95,925), while the provided co-financing amounts to €43,790 (\$47,963), which represents 50%, from the SDC budget contribution. Status: Completed.
8. "Identification and monitoring of the gene pool of woody species in order to preserve forest ecosystems and overall biodiversity in Special Natural Reserve "Titelski Breg", Institution for Nature Conservation "Titelski Breg" – the total project investment is €32,229 (\$35,300), while the provided co-financing amounts to €15,247 (\$16,700), which represents 47%, from the SDC budget contribution. Status: Completed.
9. "Revitalization of wet meadows on the Valjevac pasture by installation of solar pumps" – Nature Conservation Movement of Sremska Mitrovica. The total investment is €76,942 (\$84,274), while the provided co-financing amounts to €37,564 (\$41,143), which represents 49%, from the SDC budget contribution. Status: Completed.
10. "For a Greener Surčin" – Surčin municipality. The total investment is €80,344 (\$88,000), while the provided co-financing is €36,520 (40,000), which represents 45%, from the EC budget contribution. Status: Completed
11. "Revitalization of water and wet habitats in SRP Obedska bara" – public enterprise "Vojvodinašume". The total investment is €91,272 (\$99,969) while the provided co-financing amounts to €45,622 (\$49,969), which represents 50%, from the EC budget contribution. Status: Completed
12. "Green pastures for green transition" – Association of sport fisherman "Deliblatsko Jezero". The total investment is €60,258 (\$66,000), while the provided co-financing amounts to €30,129 (\$33,000), which represents 50%, from the SDC budget contribution. Status Completed in September 2025.
13. "Establishment of mixed forests of black and white poplars, willows and wild fruit tree species in the area of industrial plantations of fast-growing tree species" – Institute of lowland forestry and environment, The total investment is €87,648 (\$96,000), while the provided co-financing amounts to €42,911 (\$47,000), which represents 49%, from the SDC budget contribution. Status: Completed in July 2025.

14. "Improvement of Water Regime Management in the Okanj bara Special Nature Reserve". Society for Environmental Protection Okanj from Elemir, titled The total investment value is €91,300 (\$100,000), and co-financing of €45,650 (\$50,000), financed from the EC budget contribution. Status: Completed.
15. "Safeguarding long-term conservation of birds of prey in the Fruška Gora National Park" PE "National Park Fruška Gora". The total investment value is €43,261.88 (\$47,383,00), and co-financing of €22,131.00 (\$22,131,00), financed from the EC budget contribution. Status: Completed.
16. "Conservation and enhancement of the Eurasian Eagle Owl (Bubo bubo) population in Eastern Serbia", University of Belgrade - Institute for multidisciplinary research - the total project investment is €29,252 (\$31,590), while the provided co-financing amounts to €14,408 (\$15,560) which represents 49%. Amount estimated from the loan is €4,549,696 (\$4,913,279). Status: Completed.
17. "Green belts in the municipality of Ruma", the Municipality of Ruma withdrawn from the project with no payment made. Status: Withdrawn.

The following PBPA's continued with implementation in 2025:

1. "Eco Belt – Natural Protection for the Future", implemented by Public utility company "Drugi oktobar" from Vršac. The total project investment is €72,493 (\$92,978), while the provided co-financing is €25,625 (\$30,000).
2. "Mobile Intervention Unit for Large Carnivores", implemented by University of Belgrade, Faculty of Biology. The total project investment is €41,480 (\$48,560), while the provided co-financing is €19,132 (\$23,100).

Of the 13 projects selected through the **Public Call for Civil Society Organizations for the Improvement of Natural Values in Protected Areas** (see table below), eleven of the projects (LVGA) have been successfully completed by the end of December 2023, whilst the remaining two have been completed in the first half of 2024.

	Project title	Main applicant	Grant (€)	Grant (\$)	Status
1	Protection of the European roller (<i>Coracias garrulus</i>) in Vojvodina	Association of nature lovers "Riparia", Subotica	13,402	14,679	COMPLETED
2	Improved protection of rare and endangered bird species and natural values of Tara National Park	Association "Center for biodiversity research", Novi Sad	13,642	14,942	COMPLETED
3	Let's save Umbra's habitat	Sport fishing association "Deliblatsko Jezero", Deliblato	13,649	14,950	COMPLETED

2021/429-150

01 January 2025 – 31 December 2025

4	Aviaries for emergency care of protected bird species in Southwestern Serbia	Citizens association "Jadovnik - an oasis of pristine nature", Prijepolje	13,695	15,000	COMPLETED
5	Let's keep it protected	Association "Vojvodina Environmental Movement", Sremski Karlovci	13,695	15,000	COMPLETED
6	Citizens for nature protection - Dialogue for improvement of management of protected natural areas	Association "Ecological center Staniste", Vršac	13,580	14,874	COMPLETED
7	Improvement of water regime management in the Special Nature Reserve "Okanj bara"	Environmental protection association Okanj – Elemir, Elemir	13,695	15,000	COMPLETED
8	Agrobiodiversity Park - from Stara Planina to Jerma Canyon	Association "Sustainable Development Forum", Dimitrovgrad	13,137	14,389	COMPLETED
9	Let's steppe together: a new chapter in the revival of the steppe habitats of Fruška Gora	Association "Bird Protection and Study Society of Serbia", Novi Sad	13,661	14,963	COMPLETED
10	Improving the coexistence of humans and large carnivores	Association "World Wide Fund for Nature Adria Srbija", Belgrade	13,695	15,000	COMPLETED
11	Monitoring of the nesting colony of The European bee-eater (Merops apiaster) in the Area of Exeptional Features "Ada and sections near Slankamen"	Association "Ekolespark", Stari Slankamen	13,119	14,369	COMPLETED
12	Together in the reduction of fires in Landscape of Exeptional Features - pilot action "Stolovi"	Association "Novi put", Kraljevo	11,147	12,209	COMPLETED
13	Implementation of measures for early fire detection in the high-risk area of exceptional biological value Nature Monument "Lalinačka Slatina"	Association „Biological Society "Dr. Sava Petrovic", Niš	13,585	14,880	COMPLETED

The **Second call for the intervention of CSOs in protected areas** has been conducted in the last two months of 2024, with a total of 30 applications received. The evaluation process was conducted, and five projects were selected for financing. The implementation of all five projects (LVGA) has been completed.

	Project title	Main applicant	Grant (€)	Grant (\$)	Status
1	Safe Passage for Pond Turtles	Sport fishing association	14,430	15,000	COMPLETED

		"Deliblatsko Jezero", Deliblato			
2	Secure Future for Threatened Falcons	Association "Bird Protection and Study Society of Serbia", Novi Sad	14,430	15,000	COMPLETED
3	Watering Holes for Strictly Protected Animal Species	Citizens association "Jadovnik - an oasis of pristine nature", Prijeopolje	14,430	15,000	COMPLETED
4	Restoration of Burned Forests in Mokra Gora	Association "DendroSrbija"	12,964	14,000	COMPLETED
5	Together for the Steppes of Deliblatska Peščara	Association "Foresteducon"	13,853	14,960	COMPLETED

Within the SIDA funded wetlands Challenge Call the following 6 solutions were contracted (PBPA):

1. "Restoration of Wetland Habitats in Tara National Park through Innovative Technologies", implemented by National Park Tara. The total project investment is €76,512 (\$89,570) while the provided co-financing is € 53,909 (\$63,100). Status: Completed
2. "Natural Measures for an Ecological Gradac", implemented by Public Water Management Company Srbijavode. The total project investment is €183,657 (\$215,000) while the provided co-financing is €128,132 (\$150,000). Status: Completed
3. "Revitalisation of water bodies and wetlands in three protected areas along Danube and Sava River", implemented by Public Company Vojvodinasume. The total project investment is € 254,557 (\$298,000) while the provided co-financing is €128,132 (\$150,000). Status: Ongoing
4. "Revitalization of European mudminnow habitat in SNR Kraljevac", implemented by the Sport Fishermen Association "Deliblatsko jezero". The total project investment is €59,795 (\$70,000) while the provided co-financing is € 41856 (\$49,000). Status: Ongoing
- 5 " Conservation of Zasavica: Integrated Approach to Invasive Species Management for a Sustainable Future", implemented by Environmental Movement of Sremska Mitorivca. The total project investment is € 45,465 (\$53,225) while the provided co-financing is € 28,979 (\$33,925). Status: Completed
6. "Green Steps — Nature-Based Solutions for the Danube Riparian Wetlands", implemented by National park Fruska Gora. The total project investment is €84,406 (\$98,811) while the provided co-financing is €59,795 (\$70,000). Status: Completed

ACTIVITY A 2.3 (5): Sustainable Agriculture component:

The status of the implementation of projects selected under the fifth Pillar is as follows:

1. "Green Hydroponic Forage Production Project From Sprouted Cereals for Ruminant Feed" – "Business System Global Seed LLC, Čurug" – the total project investment is €81,367 (\$89,120), while the provided co-financing amounts to €18,260 (\$20,000), which represents 22%, from the SDC budget contribution. Status: Completed
2. "Establishment of Environmentally Friendly Honey Production near the Special Nature Reserve Zasavica" – "Regional Development Agency Srem, Ruma" – the total project investment is €29,663 (\$32,490), while the provided co-financing amounts to €20,012 (\$21,920), which represents 67%, from the EC budget contribution. Status: Completed.
3. "Lesspray" – "Atfield Technologies LLC, Bečej" – the total project investment is €45,102 (\$49,400), while the provided co-financing amounts to €19,401 (\$21,250), which represents 43%, from the SDC budget contribution. Status: Completed.
4. "Procurement of Vending Machines for Selling Raw Organic Milk, Also Known as Mlekomat" – "Economic Company for Agricultural Development Zlatiborski Eko Agrar LLC, Čajetina" – the total project investment is €29,508 (\$32,320), while the provided co-financing amounts to €18,260 (\$20,000), which represents 62%, from the EU budget contribution. Status: Completed.
5. "Development of Technology to Optimize Frozen Food Storage Plants". Lead partner: Napon LLC. Project partner: Janić LLC - the total project investment is: €25,000 (\$27,382), while the provided co-financing amounts to €17,137 (\$18,770), which represents 69% from the EU budget contribution. Status: Completed.
6. "Repellents from Ajvar Pepper Residues for Environmentally Friendly Food Production Zavičaj u tegli" - prerada i konzerviranje voća i povrća PR Jelena Miletić (Homeland in a Jar- fruit and vegetable processing entrepreneur Jelena Miletić). The total project investment is: €25,000 (\$27,382), while the provided co-financing amounts to €19,719 (\$21,598), which represents 79%, from the EU budget contribution. Status: Completed.

COMPONENT 3: SCALE-UP – PROMOTING CHANGE AND BUILDING FUTURE

To secure scale-up of activities under components 1 and 2, UNDP implements component 3 focusing on supporting and promoting frontrunners, good examples, and leaders of change in the green transition.

ACTIVITY A 3.1 Promotion, awareness raising and policy dialogue (partially implemented in the First phase and partially in the Second phase)	
Description of activity: The green transition is depending on a broad societal awareness and capacity building as well as gradual behavioural changes. Through this activity UNDP and partners will promote project activities and results, strengthen awareness and policy dialogue on the Green Agenda, in close coordination with the EU Delegation. This will be achieved through a participatory and inclusive approach reaching out and involving target groups such as polluters, decision makers, CSOs but also the beneficiary citizens. Partners in implementation of the Green Agenda in Serbia will strongly highlight the societal benefits of a green transition, but also the societal challenges connected to it, emphasizing the need for inclusiveness and participatory decision making, also addressing leaving no one behind perspective. Particular attention will be given to the green jobs potential of this Activity. Based on the initial inclusiveness assessment (See Ao2), this Activity will also enhance participatory dialogue, EU expertise as well as leaving no one behind perspective.	
Intervention	Status
Identification of positive examples through Agents of Change	ONGOING
Strengthen public dialogue	ONGOING
Broad public communication	COMPLETED and also planned for 2026
Deliverables: First phase: - At least 3 public policy dialogues at the local level organized to strengthen public dialogue; - At least 2 workshops organized to improve public communication on green agenda among women and youth groups; - At least 2 workshops targeting leaving no one behind the perspective of the Green Agenda, organized. Second phase:	- COMPLETED - COMPLETED - COMPLETED

4. Up to 10 entities selected and awarded as frontrunners of the Green Agenda for Serbia and awareness raised through Agents of Change approach;	4. PLANNED FOR 2026
5. At least 3 public policy dialogues at local level organized to strengthen public dialogue;	5. COMPLETED
6. At least 1 workshop organized to improve public communication on green agenda among women and youth groups;	6. COMPLETED
7. At least 1 workshops targeting leaving no one behind perspective of the Green agenda, organized;	7. COMPLETED

On May 30th, 2023, UNDP co-hosted the regional conference "Protecting the Air", bringing together government and international representatives from Serbia, Bosnia and Herzegovina, Croatia, and North Macedonia to share solutions for air pollution. Few days later (April 5th/6th, 2023), a National Conference was also organized to facilitate air quality planning among Serbian municipalities.

On June 26th, 2023, the project supported "Women and Climate Change – Challenges and Room for Support", discussing women's leadership in climate action and integrating gender perspectives into environmental policies, including inputs for COP28 and the National Environmental Protection Strategy.

As part of European Green Diplomacy Week 2023, the project supported the "Climate Art Hub", organized by the Green Art Incubator and Faculty of Dramatic Arts (FDU) on October 27th/28th. The team delivered a keynote speech and hosted a panel on the Green Agenda and its role in social development, engaging students on climate challenges and EU policies.

To assess green financing needs, the project surveyed 200 organizations that received UNDP acceleration support. 87 responses revealed low reliance on bank (8%) and government (4%) funding, with most companies preferring self-financing or grants. Many cited reluctance (48%) or complex loan procedures (30%) as barriers to green financing.

The Project supported organisation of the "Dialogue on Climate Change", on November 4th 2024, bringing together key stakeholders to explore strategies for reducing greenhouse gas emissions and leveraging the green transition for Serbia’s economic and social development. Held ahead of COP29 in Azerbaijan, the event gathered representatives from Serbian ministries, international development partners, financial institutions, the business sector, and UN agencies to discuss collaborative approaches to climate action.

The Project actively promoted grantees across Serbia through a series of workshops, lectures, and public outreach events, ensuring broad engagement with local communities, women, youth, and the general public. These activities aimed to raise awareness, encourage

participation, and showcase innovative approaches to sustainability. The events were organized in collaboration with pilot projects, including Street Air Purifier (Belgrade), a new school heating system (Sokobanja), AIK Žibel (Bačka Topola), Papir Print (Gornji Milanovac), Global Seed (Čurug), Steel Impex and ArTech Inženjering (Krnješevci and Dobanovci), Jadovnik, and Obedska Bara.

The project actively promoted grantees in 2025 and organised a high-level field visit to "Gralo", Divci - Swiss-supported solution - the 1st circular rural tourism & agricultural estate in Serbia (June 2025) and a high-level field visit to SILBO, Šimanovci – EU-supported solution for improving air quality based on an innovative CO₂ cooling system (December 2025). Beyond promoting specific projects, these events fostered dialogue on environmental challenges and solutions, ensuring an inclusive and participatory approach to the Green Agenda. Special emphasis was placed on integrating perspectives from diverse societal groups, reinforcing the principle of leaving no one behind in Serbia's green transition.

As in previous period, the project supported the fourth cycle of the contest for sustainable cities "Eko-opština" ("Eco Municipality") organised by the French Embassy in Serbia and partners, launched in March 2025. The project continued promote EU initiatives by marking of World Environment Day (5 June 2025) within the EU Green Week, marking of EU Mobility Week (September 2025) and marking of the EU Green Diplomacy Week (November 2025), all three events in cooperation with the EU Delegation in Serbia and European House in Belgrade.

Project also supported Serbia's Climate Talks – annual conference organized by the Ministry of Environmental Protection and UNDP, gathering all relevant stakeholders to discuss Serbia's climate ambition, achieved results, and planned climate actions ahead of COP30 (October 2025).

ACTIVITY A 3.2 Support provided in development of conditions and technical assistance for future scale-up projects (partially implemented in the First phase and partially the Second phase)	
Description of activity: The activity will support scaling up of pilot investments for private and non-EIB financing.	
Intervention	Status
Developing and agreeing of methodology for identification of scalable projects and solutions	ONGOING
Deliverables: First phase: 1. Methodology with criteria for identification and preparation-for-scale up of projects and solutions established; 2. 5 ESCO – model-based studies developed;	1. COMPLETED 2. COMPLETED

3. 1 annual consultation event with IFIs organized;	3. COMPLETED
4. Recommendations for Nature-based solution financing mechanism developed;	4. ONGOING
5. At least 1 training for supply chain participants provided	5. COMPLETED
Second phase:	
6. 5 feasibility studies for scaling up of pilot projects developed;	6. COMPLETED
7. 3-5 studies for upscaling local self-government pilot actions developed;	7. COMPLETED AND PLANNED FOR 2026
8. 2 annual consultation events with IFIs organized;	8. COMPLETED
9. At least 5 food farmers/food producers and at least 1 food retailer onboarded to the food traceability platform;	9. COMPLETED
10. At least 2 trainings for supply chain participants provided on sustainable food production techniques and use of the platform;	10. COMPLETED
11. Conclusions and lessons learned document prepared (representing the roadmap for the administrative level for post-Action period).	11. COMPLETED AND PLANNED FOR 2026

Following the interests of the Government (Ministry of Mining and Energy), the project conducted actions to unlock the potentials of ESCO-based business models that can accelerate investments into decarbonization. Project provided technical support in preparation of applications for co-funding of ESCO projects with MME and for all 4 selected projects secured co-funding. Total external funding mobilized is 1,349 mil € without PMF/Chemical Faculty and with PMF 1,735 mil €.

- Municipal Administration Building in Bečej, total investment 1.690.000€; secured co-funding 832.000 €
- Industry and Technology Centre of Faculty of Technical Sciences, University in Novi Sad, 754.000€; secured co-funding 367.000€
- Primary School Veljko Vlahović in Kula, estimated investment 570.000 €; secured co-funding 150.000€
- Chemical Faculty, University in Belgrade (in partnership with municipality of Stari Grad, Beograd), analysis for whole building in progress, required investment for EE rehabilitation of block D; estimated investment for: 386.000€ secured co-funding 257.000€ from MME and the rest from PMF€

Projects provided support to the Ministry of Mining and Energy in developing “walk-through” analysis of the university buildings in Belgrade and Novi Sad, estimating current average level of energy performance for defined buildings, proposing minimum and cost optimal energy

performance requirements and estimating the overall value of investment necessary for renovation of listed buildings in order to meet at least the proposed minimum energy performance requirements. The process was finalized in March 2025.

In October 2022, the project organized the “Dialogue on Climate Change” to bring together key stakeholders and promote increased climate change funding, enabling greater global investment in climate adaptation projects. Held in the lead-up to the UN Climate Change Conference 2022 – COP27, the event gathered representatives from international financial institutions to discuss financing strategies. The discussions underscored that achieving a just green transition in Serbia requires diverse funding sources, extending beyond donor initiatives to include bank loans and innovative financial instruments such as green bonds. Ensuring broad-based investment is essential to delivering sustainable benefits for all citizens.

In November 2023, the Project developed a Methodology with criteria for identifying and preparing projects and solutions for scale-up. Completed in May 2024, the report outlines strategies for expanding these initiatives, maps potential partners and funding sources, and proposes policy and legal enhancements to strengthen sustainable green financing. A key challenge identified is the lack of local institutions capable of fully assuming responsibility for the program. It also mapped existing and emerging financing opportunities, including IFIs credit loans, commercial bank loans, green bonds, venture capital, and carbon credits, to support the Challenge Calls mechanism.

The Project Team organised the IFI conference "Boosting Green Transition Financing – Opportunities and Barriers" in January 2025, collaborating closely with the EIB and the Association of Serbian Banks. The event aimed to strengthen green financing in Serbia by bringing together IFIs, commercial banks, and key stakeholders. Discussions focused on available funding opportunities, the role of banks in supporting sustainable projects, and success stories from the Green Agenda Project, emphasizing lessons learned and scale-up potential. The conference took place on January 24th, 2025. Another conference is planned for late 2025 with potential regional perspective.

The Project Team organized two workshops in cooperation with the European Investment Bank and the Association of Serbian Banks, one in March and one in April 2025, targeting participants from the financial sector, including representatives of international financial institutions and commercial banks. The workshops focused on green financing instruments, the application of the EU Taxonomy for sustainable activities, and the role of the financial sector in supporting the green transition.

The project developed a new financial model aimed at accelerating green investments and supporting the transition of companies in Serbia toward more sustainable and environmentally responsible operations. In April 2025, the Project launched two new complementary public calls aimed at scaling up green investments. The first, an Expression of Interest (EOI), was directed at commercial banks and leasing companies interested in co-financing technically mature,

bankable green projects proposed by public and private companies. These projects were expected to be financed through a combination of company equity, UNDP grants, and commercial loans. The second call, the Public Call for Scale-up of Green Investment Projects, targeted public and private companies, including SMEs, and supports green investments aligned with the five pillars of the Green Agenda. It provides both technical and financial support, through grants of up to 20% of the investment value for innovative and non-innovative bankable projects, as well as for projects requiring detailed energy audits. Together, these calls were designed to mobilize green financing and facilitate the implementation of sustainable investments through blended financial mechanisms. As a result, six banks and two leasing companies expressed interest in supporting green investments, together with 36 project proposals submitted by public and private companies.

The goal of introducing this model is the long-term establishment of a green financing market in Serbia. Introducing commercial banks as new partners in green financing represents a fundamental innovation of this model. It is designed for investments in green technologies that have previously been less attractive to commercial banks, such as heating and cooling systems, the construction of wastewater and solid waste treatment facilities, and the modernization of production processes. Small and medium-sized enterprises benefit the most, as they now have access to bank financing for these types of investments for the first time. This also enables companies to comply with domestic and EU regulations on reducing greenhouse gas emissions and protecting the environment, including Integrated Pollution Prevention and Control (IPPC), the EU Carbon Border Adjustment Mechanism (CBAM), and Best Available Techniques (BAT). As a result, greener business operations are becoming a reality for an increasing number of companies in Serbia.

Investment risk is shared among donors, the state, companies, and banks, which significantly facilitates decision-making regarding the financing of green innovations and encourages wider participation in sustainable investments.

Within the EU for Green Agenda in Serbia initiative, the capacities of banks, institutions, and the private sector are being strengthened to assess and finance green investments, ensuring that once donor funds are no longer available, financing can continue through standard market mechanisms. This approach guarantees the sustainability of the model beyond the duration of the project.

In January 2025, the United Nations Development Programme (UNDP) published the report *Biomethane Production in Serbia – GAP Analysis of Policies, Potentials, Supply, Infrastructure and Market Trends*, aimed at assessing options for strengthening biomethane production and replacing part of natural gas consumption with biomethane. The report was prepared at the request of the Ministry of Mining and Energy of Serbia (MME), with the active participation of the Ministry of Environmental Protection of Serbia (MEP), and provides an overview of feedstock availability, production potential, technologies, and the biomethane value chain in Serbia.

The analysis confirms that Serbia has significant biomass and waste resources suitable for biomethane production, including biodegradable waste, food waste, wastewater sludge, and slaughterhouse waste. These resources could contribute substantially to future biomethane production, enabling partial replacement of natural gas consumption and reducing greenhouse gas emissions, while also supporting the reduction of organic waste disposal and improving waste management practices.

Based on the identified resource potential, market opportunities, and policy gaps, and at the request of the Ministry of Mining and Energy of Serbia, the consulting firm Ernst & Young was engaged in August 2025 to prepare proposals for amendments to the relevant energy sector legislation and to develop a proposal for a biomethane incentive scheme.

At the same time, the United Nations Development Programme (UNDP) published the report *Geothermal Availability of the Locations in Serbia from the Aspect of Utilization of "Geothermal Waste-Discharge Waters" (for Energy Purposes)*, assessing opportunities for greater use of geothermal energy in Serbia. Although Serbia has an estimated geothermal potential of around 370 MW, only about 80 MW is currently utilized. The report indicates that the main barriers are not the availability of resources, but regulatory, technical, and financial constraints, including complex permitting procedures, high upfront investment costs, and limited technical capacity for geothermal exploration and drilling. At the same time, public institutions that could benefit most from geothermal heating often lack the resources to finance the required initial studies and investments.

The analysis highlights that low-temperature geothermal solutions, such as the use of geothermal waste-discharge waters from spas and other sources represent a technically feasible and economically viable option for heating public buildings and district heating systems. The report therefore recommends expanding such models to other municipalities with geothermal resources, including areas with spa infrastructure, in order to reduce fossil fuel consumption, improve energy efficiency, and strengthen environmental protection.

In May 2025, with financial support from the Slovakia within the "EU for the Green Agenda in Serbia" initiative, in cooperation with the Ministry of Environmental Protection of Serbia and the Ministry of Mining and Energy of Serbia, UNDP launched a public call to support feasibility studies and exploratory activities for geothermal projects in public facilities. Out of 14 applications, two projects were selected for support: geothermal exploration for heat production at the future Mišeluk heating plant in Petrovaradin in cooperation with the Novi Sad District Heating Plant, and the preparation of a feasibility study for the use of thermomineral waters from Jošanička Banja for heating public buildings in the Raška municipality. These pilot initiatives aim to demonstrate the feasibility of geothermal solutions and support their wider replication across Serbia.

Four studies are developed as pilot actions for upscaling local self-government:

- Municipality of Raska - Feasibility Study for the Use of Thermal Mineral Waters of Jošanička Banja for the Heating of Public Facilities in the Territory of Jošanička Banja
- City of Uzice - Preliminary analysis for preparing project for sanitation and rehabilitation of the Regional Landfill "Duboko" Uzice
- City of Zrenjanin - Analysis for improving waste management system in the City of Zrenjanin
- City of Novi Sad - Cost-Benefit Analysis for installing large-capacity water-water Heat Pump at a Water production facility "Štrand" in Novi Sad

The project supported the development of Decarbonisation and Green Transformation Roadmaps for achieving net-zero emissions in the industrial sector in Serbia, focusing on two selected companies:

1. Decarbonization and Green Transformation Roadmap for Copper Mill Sevojno developed (The encompassed investments assessed to be in the range of EUR € 12,969,000 – € 13,015,000)
1. Decarbonization and Green Transformation Roadmap for Mlino Mont Ltd Bogatić developed (The encompassed investments assessed to be in the range of EUR € 4,189,000- €4,219,000)

These roadmaps serve as a strategic framework guiding investment structures aligned with sustainable development principles, decarbonisation targets, and corporate governance standards.

In June 2025, the UNDP Project team held the second stakeholder dialogue as a networking workshop in the National Park Tara, focusing on financing biodiversity conservation in Serbia and involving the private sector, with protected areas managers, nature protection civil society organizations and companies that are members of the American Chamber of Commerce in Serbia. The participants had the opportunity to directly interact and exchange ideas on scaling up existing projects and financially supporting new nature conservation ideas. This novel approach to diversifying biodiversity financing has already led to confirmed support for two projects in 2025, with at least two more expected in 2026. The team developed two videos to promote the establishment of networking between the private sector and nature protection stakeholders in Serbia.

3. DIFFICULTIES AND CHALLENGES

The implementation of a project of such complexity certainly implies some challenges. The Project Team identified the following challenges during the reporting period:

- Long consultation process:** The development of the Environmental Protection Strategy – Green Agenda with Action Plan and SEA, started in 2023 and included the organisation of five working group meetings, working group including 134 nominated members. Additionally, more than 60 consultative meetings were held to discuss the specific topics. During the formal consultation process, 3 presentations of the draft documents were supported by the project. Although these activities ensured the wide participation of stakeholders and better quality of documents, they were time-consuming, and project activities were extended significantly beyond the originally planned period, and the Strategy with Action Plan and SEA are still not adopted. The project also developed Program for Industrial Safety with Action Plan and SEA during 2025, with 3 working group meetings, two e-consultation processes and one public consultations. However, interministerial consultations and adoption are due in 2026. The Project has been continuously adapting to the new circumstances and responding to the emerging needs and request by the beneficiary, to support this long and complex process of public policy development.
- Identification of new public policy priorities:** During the development of this overarching national document, the Environmental Protection Strategy – Green Agenda, several new strategic activities were identified. One of these activities is development of the Program for Industrial Safety with Action Plan and SEA. Considering MEP requested support for this short-term priority with strategic relevance for Green Agenda and pollution prevention, the Project provided support in drafting these documents in 2025. The Project actively respond to the new needs and acting proactively to recommend potential new activities that may facilitate the alignment process and increase capacities of national authorities. The project also received request to support activities on developing the National Action Plan for Combatting the Illegal Killing of Birds and the one on the Network of protected sites. Considering EU legislation is moving target and the Project/UNDP remains flexible to various requests of national and local authorities and will provide support whenever possible and in line with the Project Document and available budget.
- Additional support required for project activities:** Although project already implemented some activities in line with project document and achieved indicators, MEP requested additional support, widening the scope of the project activities. The project supported additional IPPC applications, development of GHG monitoring plans, additional trainings for 220 IPPC and 140 ETS operators. Additional support will be necessary in the upcoming period related to activities in the IPPC / SEVESO/ETS sectors. The Project/UNDP is flexible

to respond to new needs and provide support in the requested areas whenever possible and in line with available budget.

- **Uncertainty due to frequent elections:** Another challenge the Project faced during the implementation is the fact that parliamentary elections were organized twice in two years. Both, preparation for election, as well as preparation of a new Government, slows down many processes in the country, so it also has certain impact on the project implementation and causes changes in the PSC. Fluctuation of the PSC members, requires new member to familiarize with the Project structure and achieved progress. The Project/UNDP monitors the process and will ensure adequate nomination of PSC members in case changes occur, as well as keeping the new members informed about the work performed so far.
- **Challenges linked with legislation:** the Project faced challenges regarding the existing regulatory and policy framework in Serbia that still do not fully enable green transformation (such as in waste management, secondary raw material market, fully operational legal framework for monitoring and reporting on GHG emissions, IPPC Law not aligned with the IED, etc.). The Project works directly with competent Authorities (MEP, SEPA....) to improve the above-mentioned regulatory framework and create enabling environment for green transformation. Considering EU legislation is moving target, the Project/UNDP remains flexible and responsive to potential new requirements and needs as per the most recent NPAA and European Green Deal.
- **Scaling up of successfully implemented projects** - During the implementation of the Project it turned out that scaling up of successfully implemented projects and replicating in other entities with bank support is not always going easy. There are several identified reasons for a bit slow scaling and the absence of replication at scale. First of all, in the Serbian market organizations are a bit reluctant to take bank credits, particularly in the period which is characterised by relatively high reference interest rates (caused by high Euribor). Another reason is the lack of clear and transparent calculation methodology and conditions under which banks offer commercial loans, i.e. there is no clear and visible methodology which will assure potential clients that the bank can offer green loans under more favourable conditions compared to any other loan. The overall political situation in the country as well as globally, and unpredictability in the social and economic sphere, additionally exacerbate conditions and increase the level of caution among various organizations, both in the private and in the public sector.
- **Challenges regarding the sustainability of Green Financing** - As the Project is gradually transitioning towards the last phase, it faces challenges regarding the transition from project-based to national green financing mechanism. The Project developed a Roadmap with menu of options for gradual transition of the Green Agenda implementation

experience from project to the national institutions. This Roadmap also includes the elaboration of options for the establishment of national mechanisms for financing and supporting green investments and green economy transition.

Challenges in PBPAs` implementation: The Project Team has regular coordination meetings with MEP representatives and all donors and partners (as explained under chapter A.o.2) in order to ensure the smooth implementation of project activities and to secure taking suitable measures to overcome any problem that may occur. However, the following projects have faced difficulties due to delays in permitting process, administrative and procurement procedures, with national, provincial or local authorities, namely:

- Faculty of Dramatic Arts in Belgrade, project "GREEN FDU" - Construction of the PV plant on FDU roof - the location conditions by the Secretariat for Urban Planning and Construction of City of Belgrade are pending (EU funded project, co-financing amount: 48,700 USD)
- UMKA Ltd. Umka, project "Construction of biological wastewater treatment plant with biogas utilization" – the construction permit for WWTP , by the Ministry of Construction, Transport and Infrastructure is still pending (EU funded project, co-financing amount: 205,000 USD)
- PUC Regional Landfill Pirot, project "Decarbonisation of the Regional landfill Pirot" - the public procurements are delayed and still pending (EU funded project, co-financing amount: 118,000 USD)
- Wienerberger doo, project “Resource efficiency in the rooftile production to reduce carbon footprint” – the permitting process is delayed due to location permit and EIA, by the Provincial Secretariat for Construction, which is still pending (EU funded project, co-financing amount: 100,000 USD)
- PUC Regional Landfill Subotica, project "FROM WASTE SLUDGE TO MORE FERTILE LAND" - Extreme weather conditions in 2025 and changes in management delayed implementation of the project implemented (SDC funded project, co-financing amount: 75,050 USD)
- Unipromet d.o.o., project “Regeneration of waste hydrochloric acid from the hot-dip galvanizing process ” - due to lack of cooperation and response from the company the project is cancelled. The project failed to deliver any results, submit required progress reports, or respond to repeated UNDP communications, resulting in the expiration of the performance-based payment agreement without any accomplished milestones or payments .
- Eurspin, project “Production of Eco sponges from recycled sponges and regenerated nonwoven textile fiber” - delays occurred in the procurement process for the production line, challenges are mainly related to supplier selection and finalization of technical and commercial terms (EU funded project, co-financing amount 40,000 USD)

2021/429-150

01 January 2025 – 31 December 2025

- Bibo Bot, project “Bibo Wizard” - delays occurred due to unfavourable weather conditions for the construction works (EU funded project, co-financing : 49,500 USD)

4. VISIBILITY AND COMMUNICATION

During the reporting period, the Project organized and supported eight (8) public events, with the participation of high-level officials from the EU Delegation, the Government of Serbia, Governments of Switzerland and Sweden, EIB, and other Project partners. These events promoted the Green Agenda goals, showcased Project achievements, and increased the visibility of the Project and its donors.

Key Events:

- **Conference on green financing:** "How can the green transition in Serbia be effectively financed?" (January 2025);
- Launch of the fourth cycle of the **contest for sustainable cities "Eko-opština"** ("Eco Municipality") by the French Embassy in Serbia and partners (March 2025);
- **Marking of World Environment Day** (5 June 2025), **within the EU Green Week** in cooperation with the EU Delegation in Serbia and the European House in Belgrade;
- **High-level field visit to "Gralo", Divci** - Swiss-supported solution - the 1st circular rural tourism & agricultural estate in Serbia (June 2025);
- **Marking of EU Mobility Week** in cooperation with the EU Delegation in Serbia and European House in Belgrade (September 2025);
- **Serbia's Climate Talks** – annual conference organized by the Ministry of Environmental Protection and UNDP, gathering all relevant stakeholders to discuss Serbia's climate ambition, achieved results, and planned climate actions ahead of COP30 (October 2025);
- **Marking of the EU Green Diplomacy Week**, in cooperation with the EU Delegation in Serbia and European House in Belgrade (November 2025);
- **High-level field visit to SILBO, Šimanovci** – EU-supported solution for improving air quality based on an innovative CO₂ cooling system (December 2025).

Media Relations

Events, press releases, and the promotion of supported innovative solutions through dedicated media articles and human interest stories generated significant media attention. Media appearances on Green Agenda topics were organised on key national TV stations and major print and online outlets (Radio Television Serbia – RTS; Tanjug, BETA and Fonet, Kurir, Blic, Pink, Politika Danas, Nedeljnik, Energetski portal, Radio Television Vojvodina, N1, BBC in Serbian, Bloomberg Adria etc.). In total, **499 positive media reports** about the Project were published or broadcast during the reporting period (January–December 2025). All media reports can be found in Annex 6.

Social Media

Project-related posts on UNDP social media channels (Facebook, LinkedIn, Instagram, X) reached a wide audience. A total of 91 posts across Facebook, LinkedIn, Instagram, and X generated 994,500 impressions.

Top posts by platform in 2025:

Facebook:

- [Post](#) with the video about the bear watering hole at Jadovnik mountain gained over 52k impressions with 339% engagement rate^[a].
- [Post](#) from It's not just a Pond campaign on endangered species got 88k impressions, with 1377 interactions.

Instagram:

- [Post](#) with the video about the bear watering hole at Jadovnik mountain had over 9k impressions.
- [Post](#) on the endangered area of Peštersko polje: had 21k views and over 400 interactions.

LinkedIn:

- [Post](#) from the Chamber of Commerce event (green investments) had 3.7k impressions and 550 engagements.
- [Post](#) about the study visit to Tara with AmCham had 2k impressions.

Production of Promotional Materials

- Continuous updating of the platform "[Solutions for Green Transition of Serbia](https://zelenatranzicija.undp.org.rs)," (zelenatranzicija.undp.org.rs) serving as a comprehensive hub for innovative solutions driving Serbia's green transformation implemented thanks to the Project. The platform includes profiles of supported solutions, advanced filtering, as well as information from previous UNDP projects.
- Promotional videos produced:
 - [Green cassette roof](#)
 - [The Secret of Collaboration Between Companies and Protected Areas Managers](#)
 - [Ecological Partnerships in Practice - When Nature and Business Meet](#)
 - [This is not just a Pond](#)
- Stories about green innovations published on the UNDP and EUD Serbia websites and promoted on UNDP and European House social media channels.

Promotion of important topics through infosheets used as promotional and educational material at relevant events:

- **Carbon Footprint Calculation Methodologies Infosheet:** It introduces the main approaches used to calculate carbon footprints, summarizing key concepts, methodological frameworks, emission scopes, and typical calculation approaches used in greenhouse-gas accounting.

- **e-GHG Platform Infosheet:** It provides an overview of Serbia's e-GHG digital platform, explaining its purpose, main functions, users, and how it supports greenhouse-gas permitting, monitoring, reporting, and communication between operators and authorities.
- **Industrial Safety Infosheet:** It outlines the industrial safety framework in Serbia, describing its objectives, key legislative basis, institutional roles, and the requirements for operators of establishments handling dangerous substances.

Campaigns in 2025

- **Continuous promotion of the Challenge Calls** within the Project throughout the year online - on social media, websites, as well as with press releases and in media appearances: Public Call for banks and companies to invest together in the green transition of Serbia, the Open Call to local government units for co-financing of air protection measures and Public Call for obtaining technical support in developing geothermal studies).
- **Promotion of the Public Call for banks and companies in cooperation with eKapija**, Serbia's leading business and investment news platform with a comprehensive database of over 430,000 business and legal entities, through a dedicated e-banner and an article published on its portal.
- **Promotion of the Call for banks and companies to jointly invest in the green transition in partnership with the Wireless Media Group (WMG)**, Serbia's leading digital media company, through its online, print, and electronic media outlets: Kurir (portal, TV, print), Mondo, and Espresso.
- **Continuation of the "It's not just a pond – Let's prevent the disappearance of wetlands"** - Swedish-funded communications campaign, in traditional media and online.

Promotion of the Project through dedicated partnerships

- **Promotion through support for sustainability efforts of the Exit Music Festival** (10–13 July, Novi Sad) through co-financing the introduction of reusable cups.
- **Promotion through support for the Ecological Theatre Festival for Children and Youth** (20–24 August, Bačka Palanka), with activities aiming to raise eco-awareness through educational programs, recycling initiatives, a bicycle parade, and digital campaigns to reduce carbon footprint and engage the local community.
- **Continuous cooperation with European House (Evropska Kuća):** World Environment Day, EU Mobility Week, EU Green Diplomacy Week.

Branding

All newly signed Performance-based Payment Agreements for co-funding continued to incorporate a section on visibility and communications in 2025, ensuring that supported solutions adhered to visibility standards and appropriately promoted and acknowledged all the

Project partners. Beneficiaries remained obligated to mention Project support in all media appearances and promotional activities, as well as to explicitly state the co-funding source.

NOTE: More details about communications and visibility activities can be found in Annex .

[\[a\]](#) **Explanation of key metrics:**

- **Impressions:** Total number of times a post was displayed on users' screens.
- **Engagements:** Total interactions with the post, including likes, comments, shares, and clicks.
- **Likes:** The number of users who reacted positively by tapping or clicking the "like" button.

5. CONCLUSIONS AND WAY FORWARD

In the forthcoming period, the Project will concentrate on several key elements:

Sustainable green financing mechanism for scaling up of successful pilot green investments

– Building on the experience from pilot green investment projects, it is clear that Serbia needs a sustainable and diversified green financing mechanism to meet the growing demand for climate-resilient investments. To address this, the Project focuses on developing a broad mix of financing options, including traditional instruments such as IFI credit lines, commercial bank loans and leasing, guarantees, and insurance products, while also exploring innovative mechanisms new to the Serbian market—such as corporate thematic bonds, carbon credits and offsets, factoring, crowdfunding, and exchange-traded funds. Focus is placed on blended finance instruments that combine public, private, and donor resources to reduce risk and improve access to capital for green initiatives. Throughout this process, the Project will continue close cooperation with engaged financial consultants and commercial banks to ensure alignment with market needs and support the scale-up of successful green investments. The project will continue cooperation with MEP with regards of strengthening structure and capacities for Green Agenda implementation by national institutions.

Scale-up Challenge Call The project developed a transformative green financing methodology—Scale up Call for both enterprises and banks to stimulate green investment projects. After a detailed evaluation, high-potential applicants went through the Acceleration process, receiving technical and financial support. This innovative methodology enhances the involvement of banks in green investments by merging company funds, donor grants, and favourable loans. The financing model offers mutual benefits: companies gain access to favourable funding and compliance support with environmental standards, while banks benefit from reduced-risk investments and the opportunity to expand green financial products. In the next phase of the project, with 2026 placing a strong emphasis on scaling up successful pilots and expanding the Scale-up Call component, steps will be taken to improve the opportunities of limited financial instruments and high interest rates, by fostering a sustainable market for green investments through encouraging collaboration between the government, financial institutions, and businesses.

Close monitoring of the implementation of existing pilot and scale up projects – The contracted pilot and scale up projects are entering its final stages of implementation, some of them with bottlenecks, mostly in tendering and in permitting process. It is of crucial importance to continue with close monitoring of expected deliverables as well as timely finalization of all planned activities in order to enable smooth finalization of ongoing projects.

Impacts measurements and acceleration – project already collect all impacts of the supported green investments in terms of: installed capacities/increased share of renewables, increased energy efficiency, reduced raw resource consumption, increased percentage of renewables,

reduced emissions into air, GHG emissions reduction, increased awareness and understanding of the green transformation, gender disaggregated impacts etc. The Project Team will closely monitor impact indicators and perform regular quality control and assurance till the end of the Project (January 2026).

Highlighted the importance of additionality criteria regarding financing the private sector initiatives (specific for Swiss funded pilot projects) – the Swiss donors insist to see arguments for financing of pilots that would not be realized otherwise, without the grant co-financing. Due to this requirement, in case of co-financing of pilots from the Swiss donors, the Project will take into account the additionality criteria while presenting the Challenge Call amongst potential beneficiaries and pay extra attention during the evaluation of the project ideas.

The development of the pipeline of green investments to be further supported by the MEP. This pipeline of investments will accelerate the implementation of the Environmental Protection Strategy/Green Agenda and prepare Serbia for effective utilization of EU funds. It will focus on the most impactful major investments for pollution control and GHG reduction (both public and private). These sectors include industrial pollution (IED-IPPC operators, SEVESO operators), carbon intensive production (ETS, CBAM sectors), air quality, energy diversification, resource efficiency and circular economy (including also waste prevention, reuse and recycling), biodiversity conservation (inclusive of ecosystem restauration and nature-based solutions) etc.

Name of the contact person for the Action:
Yakup Beris, UNDP Resident Representative in the Republic of Serbia

Signature:
Date:
Location: Belgrade

DocuSigned by:
Yakup Beris
8E8AB6D378F0463...

2021/429-150

01 January 2025 – 31 December 2025

Annex 1 – Overview of all budget contributions – 2025

		EU	SDC	SECO	MEP	SIDA	TOTAL COSTS 2025
A.1.1 Green Agenda Strategy	Local Consultants	\$93,231.92					
	Contractual services – Individuals		\$29,367.94				
	Travel		\$247.06				
	Contract Companies		\$14,720.00				
	Training services and workshops						
	Audio Visual						
A.1.1		\$93,231.92	\$44,335.00	\$0.00	\$0.00	\$0.00	\$137,566.92
A.1.2. Policy implementation support and capacity building for pilot projects and scale-up	International Consultants					\$10,759.59	
	Local Consultants	\$24,842.34	\$42,930.00		\$34,605.18	\$47,723.73	
	Contractual services Individuals		\$64,485.47			\$24,855.52	
	Contract Companies	\$954.75		\$1,016.53		\$121,677.99	
	Travel		\$569.51		\$4,578.96		
	Audio Visual		\$1,285.83				
	Miscellaneous						
	Training services and workshops	\$6,827.03	\$5,724.02	\$7,165.19			
	Rent		\$6,898.87	\$19,462.00			
	Equipment						
A.1.2		\$32,624.11	\$121,893.70	\$27,643.72	\$39,184.14	\$205,016.83	\$426,362.50
A 2.1. Preparation of mechanisms for implementation of pilot projects	Local Consultants		\$10,130.00				

2021/429-150

01 January 2025 – 31 December 2025

A.2.1		\$0.00	\$10,130.00	\$0.00	\$0.00	\$0.00	\$10,130.00
A 2.2. Selection of pilot projects	International Consultants		\$0.00				
	Local Consultants	\$5,139.14	\$0.00				
A.2.2		\$5,139.14	\$0.00	\$0.00	\$0.00	\$0.00	\$5,139.14
A 2.3 Implementation of pilot projects	Contractual services Individuals		\$102,518.29			\$21,285.51	
	Miscellaneous		\$120.99				
	Local Consultants	\$8,620.33	\$29,690.00	\$5,000.00		\$13,839.04	
	Contractual services Companies	\$0.00	\$119,709.26	\$10,983.97		\$2,910.41	
	Grants	\$1,157,290.03	\$426,070.88			\$422,691.91	
	Audio Visual	\$0.00	\$3,115.52				
	Training services and workshops	\$106.30	\$4,966.24				
	Travel		\$0.00			\$8,042.88	
A.2.3		\$1,166,016.67	\$686,191.18	\$15,983.97	\$0.00	\$468,769.75	\$2,336,961.57
A 3.1 Promotion, awareness raising and policy dialogue	Contractual services Individuals		\$41,996.09			\$15,432.05	
	Travel		\$8,792.22				
	Comm & Equipment		\$8,388.55	\$2,317.29		\$18,909.47	
	Audio Visuals		\$9,991.88			\$20,006.01	
	Miscellaneous						
	Training services and workshops	\$52,360.61	\$3,242.15			\$9,093.59	
	Contractual services Company				\$7,250.00	\$19,722.24	
	International Consultants					\$4,500.00	
	Local Consultants					\$1,665.00	
A.3.1		\$52,360.61	\$72,410.89	\$2,317.29	\$7,250.00	\$89,328.36	\$223,667.15
A 3.2 Support provided in development of conditions and technical assistance for	International consultants						
	Local Consultants	\$26,685.15	\$24,350.00				
	Contractual services Individuals		\$127,552.68				
	Contract Companies		\$34,437.79				
	Training, services and workshops	\$24,555.66	\$12,984.40				

2021/429-150

01 January 2025 – 31 December 2025

future scale-up projects							
A.3.2		\$51,240.82	\$199,324.87	\$0.00	\$0.00	\$0.00	\$250,565.69
A 4.0 Project management	Staff	\$27,947.02		\$10,000.00	\$10,000.00	\$17,170.96	
	Contractual services Individuals	\$176,919.15					
	Travel	\$4,758.49					
	Contract Companies	\$0.00					
	Supplies	\$759.32					
	Rent	\$0.00					
	Professional Services	\$7,201.80					
	Audio Visual and Printing Production Costs	\$32,747.38					
	Training, workshop, conferences	\$82,585.56					
	General Management Services (GMS)	\$121,347.24	\$93,808.65	\$4,537.69	\$1,693.02	\$62,422.87	
A.4.0		\$454,265.95	\$93,808.65	\$14,537.69	\$11,693.02	\$79,593.83	\$653,899.15
TOTAL :		\$1,854,879.22	\$1,228,094.29	\$60,482.67	\$58,127.16	\$842,708.77	\$4,044,292.12