

**PROJECT DOCUMENT revision No. 2****[Serbia]**

Project Title: EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience

Project Number: 00147066 (Award ID)/ 00133820 (Project ID)

Implementing Partner: UNDP CO Serbia (DIM)

Start Date: December 20, 2022

End Date: December 20, 2026

PAC Meeting date: December 5, 2022

Brief Description

The aim of the project is to support the EU environmental reform and efficient, inclusive and sustainable implementation the Green Agenda in Serbia. The Project will give focus to biodiversity, water and wetlands and climate resilience, by strengthening policy and base-conditions, supporting further work on Nature based Solutions (NbS) through pilot projects and promote opportunities for mobilisation and scale-up of climate and biodiversity financing. The Project will build capacity, cross-sectorial cooperation a societal dialogue and will contribute to strong partnerships between the public sector, private companies and civil society, to accelerate green transformation. The main objective of the project is to “improve governance and management of ecosystems through increased capacities for planning, implementation and enforcement of nature, water and climate policies by 2026”.

Since 2021 Serbia has successfully opened the EU Cluster 4 and Chapter 27 on Environment and Climate for negotiations. In parallel, the EU Economic Investment Plan (2020) and Action Plan for the Implementation of the Sofia Declaration on the Green Agenda for the Western Balkans (2021) is now being translated into national action by the Serbian Government. This process is supported by the EU IPA funded project “EU for Green Agenda in Serbia: Get Started, Take Action, Scale-up” (2021-2024) (hereafter EU for Green Agenda in Serbia) covering the pillars of decarbonisation, circular economy, air pollution, biodiversity and sustainable food systems. The EU for Green Agenda in Serbia project is implemented by the United Nations Development Programme (UNDP) in Serbia. The Swedish International Development Cooperation Agency (Sida) has partnered the initiative to synergize with the Swedish development cooperation portfolio supporting Chapter 27 and contributing to Team Europe being the assigned lead donor in the field of environment and climate. Also, the European Investment Bank (EIB), has partnered to strengthen scale up of green investments. The Swiss Government and the Serbian Government has provided separate co-financing to the Green Agenda.

With the project “EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience”, Sida will provide co-financing to the Green Agenda initiative strengthening Pillar 4 “Protecting and Investing in Biodiversity and Ecosystems”. The project will complement the activities of the EU for Green Agenda in Serbia with activities envisaged in this ProDoc and managed through the modalities of a financing agreement between the UNDP and Sweden, represented by Sida. The project will follow the logical intervention applied by the EU for Green Agenda in Serbia including: 1. Get Started – support enabling regulatory and policy improvements for strengthening climate resilience by relying on Nature based Solutions and ecosystem services with a focus on wetlands; 2. Pilot Actions – solicit and co-finance implementation of pilot investment projects that promote the use of Nature based Solutions and ecosystem services for increased climate resilience with a focus to biodiversity and wetland restoration; 3. Scale up – support the development of sustainable biodiversity public and private financing and explore further financing mechanisms to promote Nature based Solutions and ecosystem services financing. Project main principles are - Relevance, Consistency and Replicability.

The Ministry of Environmental Protection (MEP) and the Institute for Nature Conservation in Serbia are the main beneficiaries, and the project has been prepared based on a broad consultation with key beneficiaries and stakeholders as well as related development support projects addressing biodiversity and climate resilience, to secure additional and long-term sustainability of project results.

The purpose of revision is to increase the project budget by \$ 291,600.00 that the Government of Sweden additionally contributes, thus increasing total budget from \$ 1,807,128.18 to \$ 2,098,728.18. The additional funds will be allocated towards incorporating ecosystem service valorization into sustainable development planning. The activities shall encompass comprehensive assessments and monetary evaluations of ecosystem services, alongside the enhancement of development planning processes to ensure the preservation of natural capital and the attainment of sustainable development and environmental resilience. By engaging with a diverse range of stakeholders, including policymakers, environmental managers, and local communities, these extended activities will establish a framework that integrates ecosystem service valuation into decision-making processes, contributing to improved socio-economic outcomes. Furthermore, these activities will align with both national and international biodiversity conservation goals and will build upon existing initiatives to advance sustainable resource management practices. Additionally, the project will complement UNDP's Biodiversity Finance Initiative (BIOFIN) in Serbia, which focuses on developing financial strategies for biodiversity conservation, by operationalizing the valuation methods developed and integrating them into development planning processes.

Contributing Outcome (UNSDCF, CPD, RPD):
Serbia adopts and implements climate change and environmentally friendly strategies that increase community resilience, decrease carbon footprint and boost the benefits of national investments

Indicative Output(s) with gender marker: GEN 1
Climate change mitigation and adaptation measures designed and implemented, and climate ambition raised

Total resources required:	US\$ 2,098,728.18	
Total resources allocated:	UNDP TRAC:	
	Donor (Government of Sweden):	US\$ 2,098,728.18
	Government:	
	In-Kind:	
Unfunded:		

Agreed by (signatures):

UNDP	Government of the Republic of Serbia Ministry of Environmental Protection
DocuSigned by:  8E8AB6D378F0463... Yakup Beris, Resident Representative	 Sara Pavkov, Minister
Date: 09-May-2025	Date: 21 May 2025

I. DEVELOPMENT CHALLENGE (1/4 PAGE – 2 PAGES RECOMMENDED)

Institutional capacities and policy framework – development challenges

Serbia has a well-established institutional set up for nature management and a good level of policy preparation, however, as stated in the European Commission report on Serbia from 2022¹ “the level of alignment with the EU acquis on water quality is moderate”. The capacity for governance and management of natural resources is insufficient. Concerning the protection of nature in relation to water resources, such as wetlands, and its importance for climate mitigation and adaptation there is a lack of attention and coherent approach. This implies development challenges with an unsatisfactory level of enforcement of existing laws and permits, and lack of capacity at different levels of society, from policy to implementation and enforcement chain of the governance system. Also, the lack of a clear financing strategy for biodiversity/ecosystem restoration and protection limits the possibilities to reverse negative development challenges. In addition, there is a lack of interface between research, scientific data and policy planning and the use of strategic and digital planning tools, such as spatial plans, which could support the decision-making processes. Serbia, like many other countries, lacks the integration of nature and biodiversity and Nature based Solutions (NbS) approaches, into other sectoral policies, such as water management, agriculture, infrastructure, transport and energy. Until now, inter-sectoral integration and inter-sectoral decision-making which emphasizes the needs of biodiversity and, more importantly, the wetland protection, has not been given a priority. During the Stockholm+50 national consultations. Which took place in the Spring of 2021, the importance of increased focus to biodiversity was especially highlighted, including recommendations to improve nature degradation and to mitigate biodiversity threats through adequate policy and legal framework including the adoption of a National Biodiversity Strategy and Action Plan.

Although the Ministry of Environmental Protection, the main beneficiary of the project, has broad support in different forms to strengthen the environmental reforms, in the area of biodiversity, wetland restoration and climate resilience it still lagging behind. During the project preparation it has been clearly identified that the two main beneficiaries of this contribution, the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina, also need capacity and resource support in order to be involved and to have an impact on cross-sectoral policy planning and implementation in order to strengthen biodiversity and climate resilience in Serbia.

MEAs and EU policy compliance

The policy of the Republic of Serbia concerning the sustainable management and protection of the nature/biodiversity is regulated by the following: 1. multilateral environmental agreements, such as Convention on Biodiversity Degradation (CBD) and 2. EU Acquis. When it comes to the compliance with requirements of the CBD, Serbia has submitted the 6th National report to the Convention on Biodiversity, including an additional part of the 6th National report and bio-indicators, case studies, elaborates and publications used for preparation of this report². Serbia ratified the Nagoya Protocol on Access and Benefit-sharing in 2019. Therefore, the priority now is to enable implementation through preparation of bylaws and development of capacities for implementation.

¹ https://neighbourhood-enlargement.ec.europa.eu/serbia-report-2022_en
² <https://bioindicators.sepa.gov.rs>

Concerning the EU accession process, Serbia transposed the vast body of *EU acquis Communautaire*. With the opening of Cluster 4 and Chapter 27 for environment and climate in 2021, a new phase in EU policy approximation has started. The Ministry of Environmental Protection is now working on a benchmarking plan, increasing attention on how to deliver the negotiation and accession needs. This process has clearly highlighted the importance for further efforts in the field of nature and climate to strengthen Serbia's EU path. For the nature sector, first and foremost the EU Birds and Habitats Directives are critical, and Serbia is expected to conform to other nature-related directives such as the EU Water Framework Directive (WFD) and the EU Floods Directive and EU Biodiversity Strategy. These policies are essential for maintenance of the ecosystems and their services, in the context of changing climate conditions. The EU Biodiversity Strategy calls for greater efforts to restore freshwater ecosystems and the natural functions of rivers. It also calls for stepping up efforts to achieve the WFD objective of good ecological status. The ecological condition of many rivers and their floodplains in Serbia still substantially deviate from the goals of a good ecological potential or status according to the EU Water Framework Directive (The status of surface waters in Serbia in the period 2017-2019)³. Serbia still misses regulatory acts on Appropriate Assessment under Natura 2000 as well as coherent nature and biodiversity considerations in environmental impact assessments.

The new European Commission's proposal for a Nature Restoration Law will be one of the key elements to support the EU Biodiversity Strategy. It calls for restoration of degraded ecosystems, especially those that have the most potential to prevent and reduce the impact of natural disasters. In addition to direct impacts, climate change will bring indirect impacts to biodiversity through changes in socio-economic drivers, working practices and the use of natural resources. Due to the scale, scope, and speed of indirect impacts, many of them could be more damaging than the direct impacts. Consequently, there is a need for an integrated approach to development and implementation of Nature based Solutions (NbS) in policy and practice.

The Nature Protection Program (NPP) of the Republic of Serbia for the period 2021-2023, was adopted by the Serbian Government in May 2021. This is the guiding document for the conservation, governance, and management of biological diversity at the national level. Apart from identifying indicators on the impact of climate change on biodiversity and natural resources, it can be assessed that NPP would greatly benefit from including objectives and targets on restoration, GHG emissions, and CO2 sequestration, which are currently completely missing from the NPP. Interlinkages between the climate change mitigation and adaptation, biodiversity conservation, and sustainable development need to be spelled out more clearly in order to create synergies across the sectors and to enable integrated planning and action. Also, Serbia still lacks regulatory acts that will enable integrated implementation of nature protection policy. This includes, among other, the improved Law on Nature Protection aligned with the EU *acquis* on nature protection and relevant MEAs, integration of Appropriate Assessment into SEA and EIA, transposing Nagoya protocol on access and benefit sharing, etc. Also, integrated approach will require improved capacities of competent institutions, including the nature protection institutes as a main linkage between the science and policy making, as well as enforcement authorities.

The project aligns with the 2050 Vision of "Living in harmony with nature," which envisions a world where biodiversity is valued, conserved, restored, and wisely used. It also supports the four long-term goals and 23 action targets of the Global Biodiversity Framework (GBF).

When it comes to creating the enabling policy conditions, this project will contribute to: 1. further compliance with the CBD requirements, such as structuring the financing mechanism for nature/biodiversity/ecosystem and 2. implementation of recommendations from the EU "Serbia 2022 Progress Report"⁴ related to the Chapter 27: "Environment and climate change". More specifically, the project will contribute to implementation of the following recommendations: 1) intensifying implementation and enforcement work, such as ensuring strict adherence to rules on environmental impact assessment, improving law enforcement by inspectorates and judiciary, advancing river basin management and preparing

³ [СТАТУС ПОВРШИНСКИХ ВОДА СРБИЈЕ \(sepa.gov.rs\)](https://sepa.gov.rs)

⁴ https://neighbourhood-enlargement.ec.europa.eu/serbia-report-2022_en

for Natura 2000 and 2) enhancing administrative and financial capacity of central and local authorities, in particular in the environmental protection agency and environmental inspectorates, by further improving inter-institutional coordination, continuing to raise environmental investments as well as further improving strategic investment planning and management including transparency of procedures.

Compliance with the Green Agenda for the Western Balkans

Focusing on the Green Agenda process, in 2020 the EU Commission presented the Communication on Economic and Investment Plan for the Western Balkans with Guidelines for the implementation of the Green Agenda in the Western Balkans, where the protection of biodiversity and ecosystems is one of the important building blocks. The Communication has been translated into political commitment by the countries in the region by the Sofia Declaration (2020) and with an adopted Action Plan for the implementation of the Sofia Declaration for the Western Balkans (2021-2030).⁵ This action plan emphasizes that the biodiversity and ecosystem will play a key role in providing freshwater, air and food. It also promotes the role of green infrastructure in climate adaptation and disaster risk reduction. The urgency and societal relevance of river and wetland restoration is underlined by the following actions: 1) Protecting the wealth of habitats and species, 2) Developing and implementing a Western Balkans 2030 Biodiversity Action Plan and a Forest Landscape Restoration Plan. Other relevant actions are: 52.) Prepare nature protection and restoration plans, 54) Analyse biodiversity benefits of Nature based Solutions and opportunities for their integration into the development of climate and other plans, 55.) Strengthen the mechanisms for regional cooperation and strategic planning on biodiversity conservation and implementation of the commitments under the Convention on Biological Diversity, 56.) Reinforce the engagement with the United Nations Rio Conventions (and synergy between the three) and join efforts in preparing a regional position on a global post-2020 biodiversity agenda and 58.) There are significant opportunities to link the green corridors to the wider region, which would further enhance ecological connectivity and make a major contribution to the Trans European nature network. A prior action is the development and implementation of a Western Balkans 2030 Biodiversity Action Plan and a Forest Landscape Restoration Plan.

The *EU for Green Agenda in Serbia* project has targeted support to policy development strengthening Chapter 27 priorities and Pillar 4 “Protecting and Investing in Biodiversity and Ecosystems”. The project *EU for Green Agenda in Serbia: protecting and investing in biodiversity and water for enhanced climate resilience* aims to complement action addressing the institutional and policy development challenges to implement global, regional, and EU requirements in the field of biodiversity and climate, as well as building institutional capacity to strengthen decision-making.

Protecting and investing in nature, Nature based Solutions and ecosystem services – development challenges

Water, soils, ecosystems, and native species are the building blocks of Serbia’s rich natural capital. Despite their diversity and richness, Serbia’s natural resources and the services they deliver remain at risk due to a long history of human use and habitat alteration as well as a changing climate⁶. As in many countries, the Republic of Serbia is under intense economic development, and the need to generate income and improve the living standards of the population is putting pressures on growing exploitation of the natural resources. At the same time, the last years have shown that the public and private interest and awareness of environmental issues is growing in many areas, and several environmental policy reforms have advanced. The most critical development challenges posing threats to biodiversity stem mainly from infrastructure

⁵ Ref: EU Communication on Economic Investment Plan for the Western Balkan(https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-10/communication_on_wb_economic_and_investment_plan_october_2020_en.pdf) and Sofia Declaration on the Green Agenda for the Western Balkans (<https://www.rcc.int/docs/546/sofia-declaration-on-the-green-agenda-for-the-western-balkans-rn>)

⁶ THE FIFTH NATIONAL REPORT ON THE IMPLEMENTATION OF THE CONVENTION ON BIODIVERSITY: <https://www.cbd.int/doc/world/rs/rs-nr-05-en.pdf>

development (e.g., hydropower, dams, roads, skiing trails and tourism infrastructure), pollution of the environment, poaching, unsustainable forest management and the overarching threat of climate change. Wetlands are ecosystems with high economic value and of particular interest for increasing the resilience to changing climate condition. Danube River basin, the most important repository of freshwater species and habitats in Serbia, is threatened by habitat destruction and fragmentation due to unsustainable infrastructure development, mainly driven by inadequate flood prevention and water management practices, inland navigation and energy production, i.e., large-scale hydropower. The energy policy needs to be implemented in clear synergy with nature conservation to avoid existing threats to the free-flowing rivers stretches. Pressures to nature also comes from water management practices such as river regulation, wetland degradation and destruction through land conversion, development of small hydropower plants, infrastructure and urban sprawl, exploitation of river sediments and water pollution. Some of these pressures will decline as investment in waste treatment plants as well as cleaner industry continues. Nonpoint sources of pollution, especially from agriculture, will remain a challenge.⁷

The impacts of climate change related to water resources such as shifts in precipitation patterns, snow cover and increases in temperature, will cause the increase in the frequency of flooding and droughts, and an increase in evapotranspiration rate over water bodies. This will bring significant effects on biodiversity. Moreover, wetlands and aquatic ecosystems will particularly be threatened. Certain populations of species are more likely to be declining at a faster rate due to the climate change. According to the 6th National Report to the UN Convention on Biological Diversity “no progress has yet been achieved regarding the analysis of sensitivity to climate changes, using existing geographically explicit models for assessing the sensitivity of inland and freshwater ecosystems to climate change”⁸. The Danube and its main tributaries have seen 80% of their wetlands disappear over the last 150 years and the natural water flow in the riverbed has been interrupted by dams. Damage to the river has mainly been caused by diking, river regulation and damming in order to meet the needs of navigation, agriculture, hydroelectric power, and flood prevention projects. Wetlands are critical to humans and wildlife, they are contributing to 75 indicators of SDGs. Despite this, wetlands remain undervalued in national plans related to their role in biodiversity, climate change, sustainable development, and disaster risk reduction. There is a gap related to climate change adaptation in Serbia since Disaster Risk Reduction Plan does not yet include the Nature based Solutions as risk reduction measures.

In addition to the expected pressures caused by development needs and climate change, the state of ecosystems and biodiversity will further deteriorate if these concerns are not integrated into future planning and investment projects. The recent Commission proposal for a Nature Restoration Law will be one of the key elements to support the EU Biodiversity Strategy. It calls for restoration of degraded ecosystems, those with the most potential to prevent and reduce the impact of natural disasters. Additionally, there are limited financial and political incentives for management and restoration of habitats combined with and lack of funds, as well as limited capacity to use available funds in an efficient manner and to get good ideas implemented. Also, the available budgetary resources are not mainstreamed to support investments into natural capital. This is mainly due to the lack of “green” and “nature” oriented budgetary criteria. The managers of protected areas use most of the available budgetary resources for regular maintenance activities while very few resources remain for investments into protection and restoration measures. Moreover, there is a lack of enabling framework, including instruments, for resource mobilization, be it from national/local budgets or from donor funds and commercial borrowings. On the other side, needs are huge, in particular for investments into nature capital and NbS. The “ADAPT project”⁹ implemented by IUCN laid the basis for the introduction of NbS concept in Serbia. The results of the ADAPT project presents how to better understand knowledge, institutional and capacity gaps and barriers for the application of NbS to

⁷ Joint Danube Survey 3: Final Scientific Publication (ICPDR, 2013)

⁸ Serbia’s 6th National Report to the UN Convention on Biological Diversity : <https://www.cbd.int/doc/nr/nr-06/rs-nr-06-en.pdf>

⁹ ADAPT: Nature-based Solutions in the Western Balkans, IUCN: <https://www.iucn.org/our-work/region/eastern-europe-and-central-asia/adapt-nature-based-solutions-western-balkans>

support integrative approach and implement NbS in pilot site. Whilst environmental investments in traditional infrastructure such as waste management and wastewater have increased considerable in Serbia, investments in the protection and restoration of biodiversity and wetlands needs further attention.

The *EU for Green Agenda in Serbia* project has launched several Challenge Calls for Innovative Solutions during the first project year for the following topics: 1) improving air quality; 2) forests and green infrastructure for improving natural capital and climate resilience; 3) decarbonisation of the economy and depollution of the environment and 4) solutions in the field of circular economy. The *EU for Green Agenda in Serbia: protecting and investing in biodiversity and water for enhanced climate resilience* will build on the challenge call methodology by piloting Nature based Solutions, building on previous experiences in the area, and engaging key stakeholders through participatory actions which will result in increased capacity of competent institutions. The investments should showcase the multiple and long-term benefits of investing into ecosystems and their services in terms of sustainable development and increased climate resilience. The particular focus of the project will be on wetlands as cornerstones of nature-water-climate synergy. To address the above development challenges, a focus will be given to supporting the integration of wetlands into policy programs and investments into their sustainability, and strengthen the cross-sectoral to further support the integration of NbS in DRR in the next update of the National DRR Strategy and Action Plan. The project will also address the availability of data that should enable evidence for case studies and/or good practice examples of NbS and identify possibilities for an increase in benefits, both quantitative and qualitative, by introducing integrated planning and multipurpose utilization of the wetlands.

Scale up financing for nature, Nature based Solutions and ecosystem services – development challenge

The identified lack of integrated financing strategy for nature/biodiversity also highlights the need for further attention to the exploration of new mechanisms and methods to improve long term development sustainable financing for biodiversity protection and climate resilience. Today the central public budget channelling support for biodiversity protection is very limited, and the integration of biodiversity concerns in other related financing, such as forestry and disaster risk reduction lacking which is limiting financial resources to biodiversity conservation even further. In Serbia, there is still lack of green budget tagging at national and local level. This also counts for nature related budgetary expenditures. Although the overall climate mitigation financing is gradually progressing, Serbia is at the very first step in setting a public system for biodiversity and climate resilience related financing. The requirements stemming from CBD on mobilisation of biodiversity and climate funding is not yet addressed. In addition to public funding, there are several other options to address the development challenge that need attention: 1. focus on integration of nature capital considerations into criteria for infrastructure investments (such as transport, construction, energy infrastructure etc.), 2. options to strengthen private investments supporting biodiversity protection (e.g. by building sustainable business models for investing into natural capital) and 3. Integration of “nature” related criteria for green grants and borrowing schemes, for example in agriculture/forestry management. Besides that, additional innovative financing mechanisms could represent an untapped potential, such as the application of Depth for Nature Swap approach.

The project will support assessment of current financial mechanisms/flows and provide recommendations and options for further developing nature/biodiversity/ecosystem financing mechanism. In synergy with activities planned through “*EU for Green Agenda in Serbia*”, the project will also propose options to further support public and private sector to invest in sustainable management of natural capital. Attention could be given to private companies that are interested to invest in the areas that adjacent to protected sights and thus contribute to their sustainable financing (for example, in sustainable tourism, organic farming, sustainable forestry etc.).

In addition, many development plans overlook the full value of ecosystem services, leading to decisions that compromise both ecological integrity and long-term economic benefits. The lack of comprehensive assessments and monetary valorization of ecosystem services results in underappreciation of natural capital, making it vulnerable to degradation and loss. This gap poses significant risks to biodiversity, climate regulation, water quality, and other essential ecosystem functions that directly support human well-being

and economic stability. The project will initiate a transformational change in how ecosystem services are valued and integrated into development planning. Traditionally, development decisions have prioritized short-term economic gains, often at the expense of long-term environmental sustainability and biodiversity. This project will contribute to shifting the paradigm by embedding the full value of ecosystem services into planning processes, thereby ensuring that natural capital is accounted for in economic and policy decisions. This transformation will lead to a more holistic approach to development, where economic, social, and environmental factors are balanced to achieve sustainability and resilience.

Key transformational changes include:

1. **Enhanced Decision-Making:** By providing comprehensive assessments and monetary valuations of ecosystem services, the project will equip policymakers and planners with the information needed to make informed decisions that consider the long-term benefits of preserving natural ecosystems. The project will promote development strategies that protect and enhance ecosystem services, leading to more sustainable economic growth that aligns with environmental conservation goals.
2. **Stakeholder Engagement:** The project will foster greater collaboration among stakeholders, including government agencies, local communities, and private sectors, ensuring that diverse perspectives and values are integrated into development planning.

Following the methods of the *EU for Green Agenda in Serbia* the project *EU for Green Agenda in Serbia: protecting and investing in biodiversity and water for enhanced climate resilience* will aim at supporting scale-up of public and private financing models and mechanisms for investing in nature protection and restoration, for example through scale-up programs for NbS.

II. STRATEGY (1/2 PAGE - 3 PAGES RECOMMENDED)

The translation of the development challenges into strategies and a Theory of Change will be further elaborated below.

Based on the consultations with the key project beneficiaries (Ministry of Environmental Protection, Ministry of Agriculture, Forestry and Water Management, Institute for Nature Conservation of Serbia, Institute for Nature Conservation of Vojvodina Province), as well as the scientific community, the main constraints for halting the loss of biodiversity and provide ecosystem services to people are identified as following:

- 1) strong external pressure on biodiversity and ecosystems,
- 2) insufficient capacity for the governance and management of natural resources related to climate change impacts,
- 3) incoherent national policy and lack of knowledge tools for nature conservation,
- 4) lack of knowledge tools for nature conservation and awareness of the importance of the effective conservation of key ecosystems and Nature based Solutions.

The analysis of the development challenges above and the needs assessment of support from beneficiaries and identified gaps have led to the conclusion that area of intervention should be narrowed down to the interface between biodiversity, water and climate, hence policy frameworks and pilot actions focusing on wetland restoration.

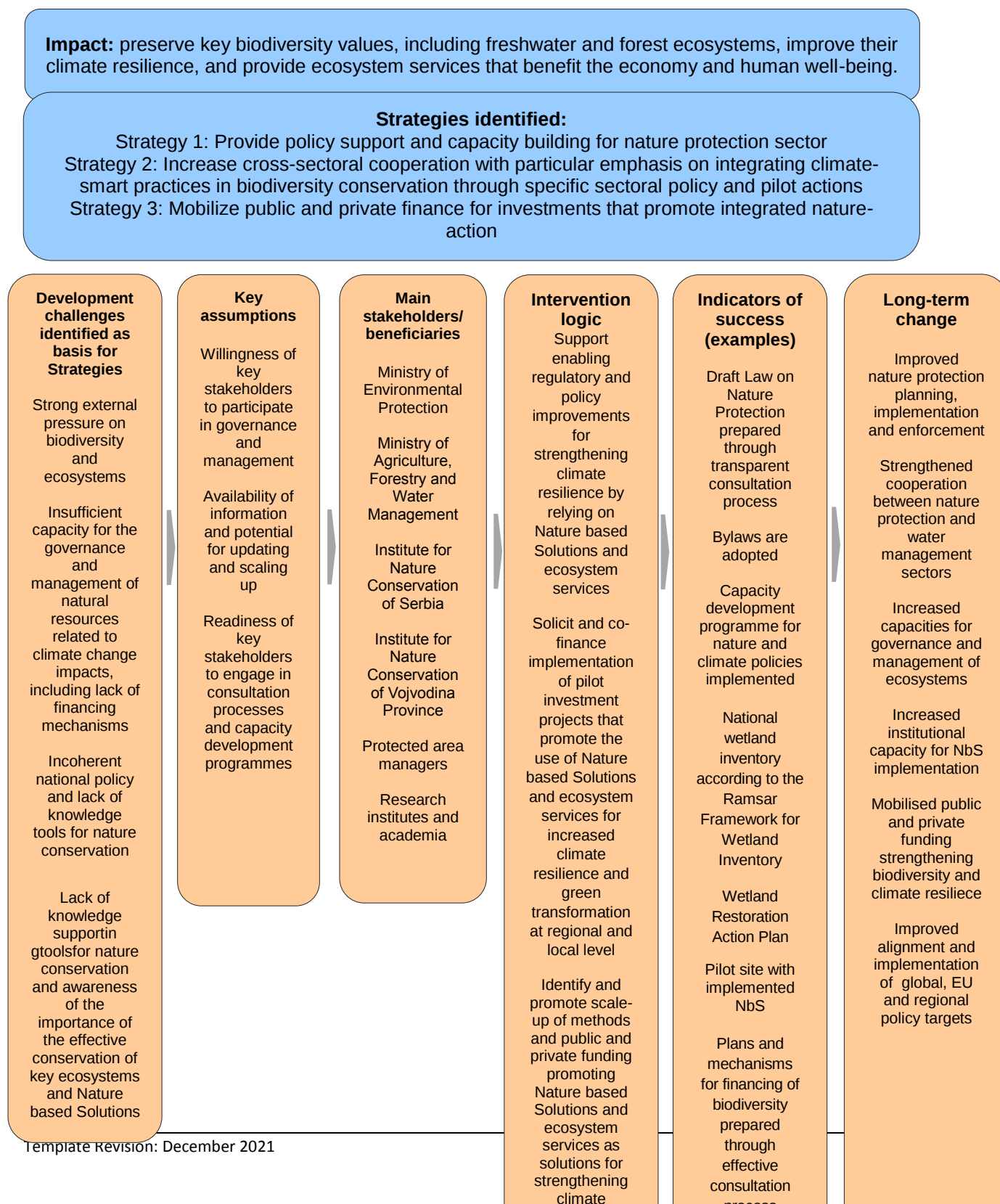
The strategies addressing the development challenges and identified needs, which are presented below, follow the logical intervention applied in this project as follows:

1. **Get Started** – support enabling regulatory and policy improvements for strengthening climate resilience by relying on Nature based Solutions and ecosystem services with a focus on wetlands;

2. Pilot Actions – solicit and co-finance implementation of pilot investment projects that promote the use of Nature based Solutions and ecosystem services for increased climate resilience with a focus on biodiversity and wetland restoration;

3. Scale up – support the development of sustainable biodiversity public and private financing and explore further financing mechanisms to promote Nature based Solutions and ecosystem services financing.

Figure 1: The theory of change matrix



Strategy 1 Provide policy support and capacity building for nature protection sector (link to the component 1 of the EU for Green Agenda in Serbia project)

The intervention logic of the project is to enable regulatory and policy improvements through supporting transparent and inclusive process for the preparation of the new Law on Nature Protection. The process will be conducted according to the provisions of the Law on the Planning System of the Republic of Serbia (Official Gazette of the Republic of Serbia, No. 30/2018). This will support an integrated approach in development and improvement of policies, such as the bylaw on Appropriate Assessment, amendments of SEA and EIA regulations, new Decree on the Ecological Network, etc. The integrated approach will take into consideration nature when preparing other legal and regulatory instruments aimed at improving procedures on spatial planning, enhancing the conservation of biodiversity and ecosystem services and wider application of Nature based Solutions in sectorial policies. Concerning the water bodies in water-dependent protected areas, measures under the WFD and the Birds and Habitats Directives should be integrated, the project will support cross-sectoral coordination between the responsible authorities for nature conservation and water management. The process will entail active participation of stakeholders and target groups in the preparation of public policy documents through a working group, as appropriate. The set up of a working group will be outlined based on the need for formal consultation procedures, and set up of the governmental Green Agenda Working Group.

As a Party to the Ramsar Convention, Republic of Serbia is committed to the conservation and wise use of all wetlands. Although Serbia has designated 11 sites as Wetland of International Importance (Ramsar sites)¹⁰ so far, with a surface of 130,411 ha, designation is not enough. The good governance and effective institutions at national and local levels are a crucial factor in preventing and reversing trends in wetland loss and degradation. More accurate data on wetland extent and wetland inventories is needed to help Serbia identify priority sites for restoration. The project aims to build capacities in nature conservation sector with strong focus on preparation of National wetland inventory and Wetland Restoration Action Plan which will contribute to disaster risk reduction as climate change adaptation measure through implementation of Nature-based Solutions in pilot site.

Currently, there is a lack of an in-depth insight into the nature conservation workforce related to required competences for the transposition and implementation of EU *acquis Communautaire*, including projected hires, skill shortages, training needs. The nature conservation sector is composed of multi-disciplinary professionals and require a broad set of competencies including both technical and soft skills, to provide ecosystem services that directly or indirectly benefit humans and which will enhance climate resilience. Through building capacities, the beneficiaries and other relevant stakeholders will be part of the intervention logic defining how to improve and strengthen employee core competencies, in order to improve organizational efficiency. Capacity building will also entail a strong focus to strengthen planning expertise and technical knowledge such as the use of Climate Atlas of Serbia, use of Disaster Risk Registry, use of Copernicus Services and Soral Information System (SIS), preparation of National wetland inventory according to the Ramsar Framework for Wetland Inventory, and Wetland Restoration Action Plan, etc. Also, as result of the project, the monitoring and reporting on the status of nature and biodiversity will be improved, in line with the Nature Protection Programme 2021 - 2023. The project will strengthen the capacities of decision makers and those implementing the nature conservation policies to improve their

¹⁰ <https://www.ramsar.org/wetland/serbia>

planning, technical and communication skills. Thus, the governance in nature protection sector will be strengthened. In this aspect, the project will rely on expertise and knowledge of other UN agencies, such as UNEP.

Strategy 2 Increase cross-sectoral cooperation with particular emphasis on integrating climate-smart practices in biodiversity conservation through specific sectoral policy and pilot actions (link to the component 2 of the EU for Green Agenda in Serbia project)

The identification, prioritization, efficiency, and implementation of NbS pose a great challenge for natural resources management and nature conservation practices in Serbia. On the other side, scarce capacities of competent institutions also prevent access to finance for nature, preservation of ecosystem services and implementation of NbS.

The main intervention logic is to solicit and co-finance implementation of pilot investment projects that promote the use of NbS and ecosystem services for increased climate resilience and green transformation at regional and local level. The NbS will be promoted and implemented in pilot site within the framework of this project and will harness the power of nature to reduce greenhouse gas emissions and help us adapt to the impacts of climate change. The project will contribute to wetland restoration as a long-term commitment to restoring lost and degraded ecosystems that sequester CO₂ from the atmosphere. Wetlands are important carbon stores and provide co-benefits for biodiversity and other ecosystem services and act as support systems to climate change adaptation. Restoring nature and enabling biodiversity to thrive again offers a NbS to absorb and store carbon, in particular wetlands, and peatlands. This will increase absorption of CO₂ and will make the environment and local communities more resilient to climate change. The IUCN Global Standard for Nature based Solutions will provide guidance on how to design and monitor Nature based Solution in pilot site. The project will liaise with the Green Agenda Working Group (or project-based Working Group, if such decision is made in agreement with the Government) in order to develop criteria for implementation of NbS in pilot sites with high potential for climate adaptation, support preparation of the Call for proposals for Nature based Solution challenge and preparation of assessment of sites with high protentional for implementation of NbS in the future. Particular focus on NbS will further confirm that such investments represent long-term benefit for the economy and livelihood. The implementation of NbS in the pilot site will contribute to the recurring wetland biotopes with their diversity of species, potentially providing a wide range of other environmental, social, climate change adaptation and mitigation benefits, including the reduction of the risks of floods and droughts, improved water quality, groundwater recharge, etc. This will be proven through piloting NbS related investments by applying Challenge Calls approach. The project will aim to support solutions with multiple benefits in terms of environment (reduction of pollution of waters and soil), disaster risk reduction (prevention of floods and/or droughts) and sustaining ecosystem services for benefits to local economies (e.g., providing sufficient quantities of water for irrigation and sustainable food production in the context of changing climate conditions).

Strategy 3 Mobilize public and private finance for investments that promote integrated nature-water-climate action (link to the component 3 of the EU for Green Agenda in Serbia project)

The third strategy for intervention logic is focusing on identifying and promoting scale-up of methods for public and private funding which will promote biodiversity funding, Nature based Solutions and ecosystem services. As presented above, there is an evident lack of public financing instruments, and other financing instruments that could additionally mobilize financing for investments, including donor financing, IFIs and private sector, that would promote synergy between nature, water and climate resilience. The project will look at developing and designing mechanisms to support decision making, in relation to investment balance between wetland restoration, reducing risks through building climate resilience and improving disaster risk reduction. In order to increase capacities of competent institutions and to identify options to strengthen biodiversity related financing will further enable unlocking the access to finance and actions. A cross-sector dialogue and approach to mapping key sources of current and future financing that would promote nature-

water-climate action is needed. The increase of investments will eventually strengthen climate resilience of the economy and communities in Serbia, preventing related losses and damage. For example, dialogue between relevant institutions also engaging international assistance to identify the options of integration of nature-water-climate approach in the green criteria for investment projects, could enable scale up financing. This particularly refers to the investment projects in water management, transport, construction and energy infrastructure that will have to be screened against such criteria. Besides regular financing options, the project will assess opportunities and propose options for innovative financing of nature capital, such as through debt-for-nature swaps and possible guarantee instruments.

From the global perspective, 2022 is a crucial year to tackle biodiversity loss and preserve natural capital. The CBD COP15 aims to seek agreement worldwide to accelerate action needed to safeguard nature by defining the Post-2020 Global Biodiversity Framework, or 'GBF', for the decade ahead – a stepping stone towards the 2050 vision of "living in harmony with nature". The CBD COP15 will review actions, commitments and opportunities for aligning financial flows with the post 2020 Global Biodiversity Framework, including the 2050 vision of « living in harmony with nature » and the 2030 milestone targets proposed in the GBF. This includes eliminating and repurposing harmful subsidies and other incentives, reducing biodiversity-related risks and impacts in investments, as well as mobilizing new resources towards biodiversity. Also, the COP 15 will propose solutions for scaling-up the financing of activities that protect, regenerate and make sustainable use of biodiversity, as well as promote social development and equity, including support to Nature based Solutions, innovative financial approaches and public-private partnerships. Thus, the project will support Serbia in translating deliberations of the CBD COP15 of relevance.

Strategic approach to gender equality – integrated approach in intervention logic

Gender equality is the key principle to improve the decision making system and alleviate gender differences which will contribute to more just societies and better management of natural resources. In terms of consistent fulfilment of the Sustainable Development Goals, it is crucial to advocate for the interests of vulnerable and/or marginalised groups which are for any reasons unable to develop their full potentials because of their origin, socio-economic status, conviction, orientation, way of life and/or lifestyle. The publication "Roots for the Future: the Landscape and Way Forward on Gender and Climate Change"¹¹ presents the policy landscape with respect to gender and climate change, provides step-by-step guidance on gender mainstreaming and gender-responsive approaches to climate change decision-making, planning and projects at all levels. The project will use it as a guiding document to identify good practices in gender-responsive programming. The project will promote gender equality by reflecting women's concerns and experiences and supporting their individual and collective resilience and rights by securing their meaningful participation as fully empowered actors in all project activities. Secretariat of CBD published the "Guidelines for Mainstreaming Gender into Biodiversity Strategies and Action Plans"¹² which will be used to support the design of tailored made capacity building programme on the protection of biodiversity, water management, climate adaptation and mitigation for the women's rights organizations. In the beginning of the project a meeting with relevant stakeholders will be held to have a basic gender analysis for the project and its activities and potential impact. Gender equality and women's participation are critical to enabling good governance of natural resources and climate change adaptation and they need to have a strong role in planning and decision making. This project will look at the gender perspective from the point of view of enabling women to fully participate in all phases of biodiversity and climate change planning by mainstreaming gender equality into institutional processes. The application of a strategic approach to gender will be assessed in the mid-term evaluation. Also, capacity building on responsive budgeting for monitoring national spending of nature protection and climate change related funding will support the project Strategy 3. The project team will formulate gender-sensitive indicators in such a way to allow measurement of the

¹¹ <https://portals.iucn.org/library/sites/library/files/documents/2015-039.pdf>

¹² https://www.cbd.int/programmes/cross-cutting/gender/cbd_ts49_gender_guidelines.pdf

participation of women in all project activities.

III. RESULTS AND PARTNERSHIPS (1.5 - 5 PAGES RECOMMENDED)

Expected Results

The main purpose of “*EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience*” is to support EU environmental reform and strengthen the implementation of the Green Agenda in Serbia, more specifically– Pillar 4 “Protecting and Investing in Biodiversity and Ecosystems”.

As stated above, the project will follow the logical intervention applied in the project “EU for Green Agenda in Serbia”, namely:

1. Get Started – support enabling regulatory and policy improvements for strengthening climate resilience by relying on Nature based Solutions and ecosystem services with a focus on wetlands;
2. Pilot Actions – solicit and co-finance implementation of pilot investment projects that promote the use of Nature based Solutions and ecosystem services for increased climate resilience with a focus to biodiversity and wetland restoration;
3. Scale up – support the development of sustainable biodiversity public and private financing and explore further financing mechanisms to promote Nature based Solutions and ecosystem services financing.

The **main objective** of the project is to “**improve governance and management of ecosystems through increased capacities for planning, implementation and enforcement of nature, water and climate policies by 2026**”. The project main principles are – Relevance, Consistency, Replicability.

The **expected impact** of the project is to preserve key biodiversity values, including freshwater and forest ecosystems, improve their climate resilience, and provide ecosystem services that benefit the economy and human well-being. The project will especially focus on biodiversity, water and climate resilience since this area is identified as an area in great need of further support for Serbia to fulfil global biodiversity targets, EU targets and to strengthen the biodiversity pillar of the Green Agenda, and where other support is not prominent.

Based on the logic of intervention of Get started, Pilot and Scale up, the project will in all parts provide better integration of climate change adaptation into the nature conservation, forest, and water management sectors. It will also emphasize the provision of multiple benefits through the conservation, sound management and restoration of floodplains and wetlands. As indicated above, the project will put a strong emphasis on cross-sectoral integration of environmental policy and implementation and to build broader administrative and societal support and dialogue. Capacity-building will be an essential step in turning policies into concrete actions, also by bringing in EU member state expertise and finding synergies with other Swedish support projects. All capacity building actions of this project will be based on the prior needs assessment that UNDP will conduct during the consultative meetings with stakeholders.

The project’s primary focus will be on institutional building and capacity development at national, sub-national and local levels, and will include the scientific community and civil society. The project will provide support to Serbian authorities and institutions and enhance their capacity to efficiently fulfil obligations towards EU *acqui* and MEAs¹³. It will encourage interaction between the administration, CSOs and scientific

¹³ The most relevant Multilateral Environmental Agreements which have been signed and ratified by the Republic of Serbia are following Convention on Biodiversity (CBD), UN Framework Convention on Climate Change (UNFCCC), Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention), UN Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention), Convention on Conservation of European Wildlife and Natural Habitats of Europe (Bern Convention) and Sendai Framework for Disaster Risk Reduction.

community. The project strives to ensure both political and financial support for Nature based Solutions addressing the biodiversity and climate crisis to support the achievement of national CBD and UNFCCC targets.

Get Started Component

Output 1. Synergy between nature-water-climate strengthened in regulatory and strategic framework

The project activities will support an integrated approach and developed policies with other legal and regulatory instruments aimed at improving nature-water-climate approach in conservation of biodiversity and ecosystem services. The concept approach means strengthening the understanding and interlinkages between nature protection and restoration, water management and climate action. The main priority action is to respond to the implementation of Objective 1.3 of the “Nature Protection Program 2021-2023¹⁴: Improved public policy for nature protection and biodiversity conservation and public participation in decision making.” This will be done through drafting of the new Law on Nature Protection, and priority bylaws, according to Government procedures and based on public participatory processes. One of the policy priorities is to enhance inter-governmental coordination and public consultations strengthening the understanding of the cross-cutting issues in biodiversity conservation, agriculture, forestry, flood and drought management, water quality and carbon storage. The project aim to strengthen capacities and support inclusion of NbS into regulatory and strategic planning to contribute to efforts to restore freshwater ecosystems and the natural functions of rivers through wetlands restoration.

All training modules under this particular component and output will serve to increase the capacities of competent institutions to improve biodiversity and nature management of protected areas and other nature related land use. The project will develop training modules through participatory approach based on prior assessment of needs, so that they are tailored made for target groups to strengthen their capacities. This will be achieved through following set of activities:

Development of legislation following nature-water-climate synergy (contributing to implementation of Pillar 4 of the Green Agenda in Serbia „Protecting and investing in biodiversity and ecosystems”):

- 1.1.1 Drafting the Law on Nature Protection aligned with the nature protection EU acquis and relevant MEAs
- 1.1.2 Preparation of at least two (2) Bylaws for the Nature Protection

Strengthening capacities of representatives of competent institutions to mainstream nature-water-climate nexus into implementation of policies (contributing to implementation of Pillar 4 of the Green Agenda in Serbia „Protecting and investing in biodiversity and ecosystems”):

- 1.2.1 Training of experts from the Institute for Nature Conservation of Serbia and Institute for the Nature Conservation of Vojvodina Province and other concerned experts
- 1.2.2 Training of protected areas (PAs) managers
- 1.2.3 Training of experts from water management authorities and agencies: Ministry of Agriculture, Forestry and Water Management-Republic Directorate for Water, Public Water Enterprises” “Srbijavode” and “Vode Vojvodine”

¹⁴ Nature protection Programme of the Republic of Serbia for the period 2021-2023: <https://www.ekologija.gov.rs/saopstenja/vesti/usvojen-program-zastite-prirode-republike-srbije-za-period-od-2021-do-2023-godine>

Output 2. Capacities on sustainable and participative management of protected areas and the water-related ecosystems are increased, as well as the capacities on NbS and gender-sensitive, climate adaptation planning

The capacities and knowledge of competent institutions, protected areas managers and general public on NbS and ecosystem services that directly or indirectly benefit humans and enhance climate resilience need to be strengthened to improve management and decision-making of protected areas and maintenance of water-related ecosystems and services. To strengthen an integrated approach to the use of different information systems relevant for nature protection, water management and climate adaptation planning is a priority, as well as to improve the data, monitoring and reporting on biodiversity.

Under this output the importance of protected areas for climate change adaptation and mitigation goals will be given special attention through different knowledge and capacity building activities. The data collection to the databases of the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province needs to be improved to secure that spatial planning has sufficient data and information to provide ecological connectivity. This also include the preparation of better wetland inventory and restoration plans.

The output will give special attention to capacity building of stakeholders in already existing information systems such as the Climate Atlas of Serbia and Disaster Risk Registry, as well as the Copernicus Services and Sectoral Information System (SIS). The main users of Copernicus services will be policymakers and public authorities (project beneficiaries and stakeholders) who need the information to develop environmental legislation and policies or to take critical decisions in the event of an emergency, such as a natural disaster. The information provided by the Copernicus services can be used by end users for a wide range of applications in a variety of areas, the most relevant for this project are nature protection, regional and local planning, water management, forestry, as well as infrastructure, transport, and mobility. The Climate Atlas of Serbia is based on Copernicus platform and the capacity building will support decision makers to create programs and plans related to biodiversity conservation and climate change adaptation.

However, this output will also aim at contributing to the broader topic on integrating several systems to improve platforms for informative decision-making relating to spatial planning protecting biodiversity and environmental concerns. This will be done through exploring synergies with the Sida funded ePlan4eSpace project, a project developed jointly by the Republic Geodetic Authority (RGA) and Lantmäteriet, The Swedish Mapping, Cadastral and Land Registration Authority. The potential of bringing in Swedish member state expertise on nature protection, conservation and management will be done by finding synergies with the Swedish Environmental Protection Agency implemented ENVAP4 project, where possible.

This will be achieved through following set of activities:

2.1 Assessments of protected area's role in achieving climate change adaptation and mitigation goals

- 2.1.1 Development of assessment report on protected area's role in achieving climate change adaptation and mitigation goals

2.2 Strengthening the capacities of stakeholders for improved management of protected areas (contributing to implementation of Pillar 4 of the Green Agenda in Serbia "Protecting and investing in biodiversity and ecosystems"):

- 2.2.1 Training of representatives of the women's rights organizations on the protection of biodiversity, climate adaptation and mitigation developed through participatory approach
- 2.2.2 Training of local authorities on the use of Climate Atlas of Serbia and Disaster Risk Registry
- 2.2.3 Training of competent authorities on Copernicus Services and Sectoral Information System (SIS)
- 2.2.4 Activities synergizing with other Swedish funded projects such as ePlan4eSpace and ENVAP projects, potentially bringing in Swedish member state expertise

2.3 Improving data, monitoring and reporting on nature, biodiversity and ecosystems

- 2.3.1 Upgrade of the application for field research developed for Natura 2000 mapping purposes
- 2.3.2 Upgrade information systems and biodiversity databases at the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province
- 2.3.3 Develop and promote mobile application for citizens science

In addition, sustainable and participative management of protected areas and the water-related ecosystems will be improved by:

2.4 Preparation of National wetland inventory and Wetland Restoration Action Plan

- 2.4.1 Preparation of National wetland inventory according to the Ramsar Framework for Wetland Inventory
- 2.4.2 Preparation of Wetland Restoration Action Plan.

Take Action Component

Output 3. Nature based Solution (NbS) implemented in pilot site

The project will support identification of a pilot sites for development of the Wetland Restoration Action Plan and implementation of concrete NbS. The Wetland Restoration Action Plan and NbS pilot site will support not just biodiversity conservation, but also climate change adaptation and contribute to prevention of natural disasters. The project objective related to wetland restoration will demonstrates the benefits of integrated water management and sustainable use of natural resources and allows for a multiplier effect with similar projects across the country. Moreover, the river ecosystems are vital for the socio-economic well-being of the local communities. It is a major source of good drinking water, acts as natural flood protection by soaking up waters in adjacent wetlands, and provides natural resources such as timber and fish. The picturesque riverine landscape also plays an important role in recreation of the local population and represents the basis for eco-tourism. Benefits may include employment of the local community, improvement of socio-economic situation, and nature friendly tourism development (to name a few: bird watching and sightseeing). Co-designed and implemented with communities and partners, the pilot site will represent the landscape's most endangered habitat types which will be selected during project implementation. Local communities will play an active role in the decision-making process and be directly involved in restoration activities.

For the selection of pilot sites, UNDP will apply the "Challenge call methodology". UNDP applies this mechanism globally, and in the EU for Green Agenda in Serbia project. Methodologies and experiences and lessons learned from IUCN expertise in NbS will be built upon. The project outcomes will create functional linkages to address cross-cutting issues in biodiversity conservation, flood and drought management, water quality and carbon storage: 1) ensure full functionality of existing wetlands and floodplains while incorporating climate resilience requirements, 2) restore degraded wetlands and floodplains and reconnect rivers and floodplains, 3) wherever possible remove obsolete man-made constraints on rivers, and 4) retention of water in upland areas through better management of soil, forests, and water. NbS implementation in the pilot site will help increase the capacity for integrated planning and management of water resources and demonstrate the ecological and socio-economic benefits of wetland restoration. In agricultural and rural lands, several measures can be implemented for multi-purposes: maintaining and restoring wetlands/floodplains along rivers for flood mitigation, preserving biodiversity and retaining water and pollutants. The project will base preselection of the pilot sites for NbS on knowledge and expertise of the beneficiaries (Institute for Nature Conservation of Serbia and Institute for Nature Conservation of Vojvodina Province) and other stakeholders from the scientific community based on results of the project "EU for Natura 2000 in Serbia".¹⁵

¹⁵ "EU for Natura 2000 in Serbia" project: <https://natura-2000.euzatebe.rs/en/about-project>

Based on the request of the Government – Ministry of Environmental Protection, Swedish contribution will particularly focus on strengthening the synergy between nature/ecosystems protection, sustainable water management and climate change. This methodology is based on the public calls for proposals (the Innovation Challenge Calls) followed by the acceleration support and provision of co-financing in the form of the performance-based payment agreements. The criteria for the Challenge call are defined in agreement with the Government and upon the discussion with other stakeholders and potential beneficiaries. Eligible applicants will be managers of protected areas, while potential partners may include public and private companies, CSOs, academia representatives. Partnerships may provide additional access to finance (in particular through participation of private companies and investors), additional skills, knowledge and data for greater impact. The criteria will reflect the purpose of the Call, but also include other social, environmental and economic benefits expected from the projects/investments. Also, the criteria require applicants to integrate gender into their proposals. Draft criteria are discussed with stakeholders and potential beneficiaries through the targeted info-days organized by UNDP. Upon the launching, the Challenge call remains open for at least two weeks, allowing potential applicants to apply by populating the online form. UNDP will establish independent expert evaluation panel to review applications upon closure of the Challenge call. The evaluation panel will score applicants based on the criteria, while UNDP and the Government will make proposal of the decision on selected applications, based on the recommendations of the expert panel. This proposed decision will be validated at the Project Board meeting. UNDP will provide technical assistance to selected applicants in the form of the project-based “Accelerator”. The technical assistance includes guided mentorship programme, with the involvement of thematic experts, that UNDP will provide to each selected applicant. Upon completion of the acceleration process, UNDP and the Government will review progress and make draft decision on the most successful applicants that completed acceleration process and that qualify for the co-financing support. The Project Board will make final approval and UNDP will thereafter be granting the co-financing for implementation of selected projects/investments, in the form of Performance-based Payment Agreements.

The Performance-based Payment Agreement is the form of contract between the UNDP and beneficiary. It is a grant contract where payments are disbursed in tranches, per achieved deliverables that are prior agreed and confirmed by the Project Board. UNDP will finalize payments only once the beneficiary submits request for payment that also contains verifiable confirmation that the deliverable has been fulfilled.

This will be achieved through following set of activities:

- 3.1 Identification of pilot sites with high potential for climate adaptation through implementation of NbS – through organization of stakeholder dialogue for identification of pilot sites and developing methodology for selection process. The project will formulate the selection criteria for the Challenge call based on the assessment of identified sites based on the potential impacts.
- 3.2 Implementation of the Challenge Call for proposals for Nature based Solutions
- 3.3 Assessment of sites with high protentional for implementation of Nature based Solutions

Scale up Component

Output 4. Additional financing identified for ecosystem restoration to increase the gender sensitivity and climate resilience of floodplains and related ecosystem services

The project will assess existing financing mechanisms for implementation of nature-water-climate approach and in particular for implementation of Nature based Solutions. The project will explore possibilities and design the proposal for sustainable biodiversity financing through close cooperation with the Ministry of Finance and the Ministry for Public Investments to secure financial resources for long-term support for wetland restoration and implementation of NbS, both through public and private investment. The assessment will deal with rising and managing capital and using financial incentives to support sustainable nature/biodiversity management. Activities will be implemented in synergy with the Biodiversity Finance Initiative (BIOFIN), a global partnership launched by UNDP and the European Commission, supporting countries to enhance their financial management of biodiversity and ecosystems. For this purpose, the

project will assess and collect qualitative and quantitative data, innovative methodologies, and global and national expert input. This assessment will result in recommendations (in the form of methodology) for quantifying the biodiversity finance gap at the national level, for improving cost-effectiveness through mainstreaming of biodiversity into national development and sectoral planning. This will help the Government in developing comprehensive national finance plans with support of other initiatives, such as BIOFIN. The biodiversity/ecosystems financing plans should provide a framework for resource mobilization, embedded in a transformative process led by national stakeholders, aimed at allowing countries to implement their National Biodiversity Strategy and Action Plans (NBSAPs) and achieve national biodiversity targets. With that regard, the project will contribute to the review of finance policy and institutional capacities, expenditures, financial needs assessment, resulting in recommendations for improved biodiversity/ecosystem financing. This activity builds upon the Decision 14/22 of the CBD to initiate preparations on the resource mobilization component of the post-2020 global biodiversity framework.

Also, under this component, the project will explore different models for nature/biodiversity/ecosystems financing, including, for example, options for integration of nature-water-climate approach into criteria for donor financing and IFI green loans. Besides, innovative financing instruments will be elaborated, such as debt-for-nature swap and/or the possibility for a guarantee instrument. The project will create a mechanism raising the mainstream investment profile of NbS and support a portfolio of pilot interventions in key areas identified in Wetland Restoration Action Plan. Since the European Investment Bank is member of the implementation team for the EU funded project EU for Green Agenda in Serbia, the project team will liaise with the EIB as preferred IFI partner, to explore options for testing integration of nature-water-climate criteria for lending and other options for investing into NbS through some of the infrastructure investment projects. Such pilot should set an example for other IFIs and borrowing institutions in Serbia, leading towards the establishment of more sustainable financing mechanism for nature. The ecosystem services information provided through project will help communicating and considering the diverse impacts in decision-making processes related to safeguards in biodiversity financing mechanism. Subsequently this will lead to better integration of nature protection and climate change in water management. In parallel, the entire scale-up component will contribute to building the capacities of the decision-making structures in Serbia for improved planning of nature/biodiversity/ecosystems financing. In synergy with activities planned through EU for Green Agenda in Serbia, the project will also propose options to further support private sector interested to invest in sustainable management of natural capital. Particular focus will be given to those private companies that are interested to invest in the areas that adjacent to protected sights and thus contribute to their sustainable financing (for example, in sustainable tourism, organic farming, sustainable forestry etc.).

As, within this component, the project will also support scaling up of pilot investments made at the sites that are selected through competitive Challenge calls. The project team will liaise with network organizations, such as Standing Conference of Towns and Municipalities (SCTM), as well as with National Association for Local Development (NALED), to promote pilot investments as examples of good practices (NbS) that can be replicated throughout Serbia. Also, through capacity building activities, the project will promote pilot investments and sites among the protected areas managers bringing to their attention the multiple benefits of the applied NbS, pointing out their cost-benefit effectiveness. In coordination with the Ministry of Environmental Protection, the project team will work on the integration of NbS, based on pilot sites examples, into protected areas management plans and national budgets. This will allow their further replication throughout the protected areas. The project team will advocate for inclusion of the models of pilot investments and sites into nature/biodiversity financing plan.

In addition, the project aims to contribute to integrating the ecosystem services into development planning, which is critical for achieving sustainable growth and environmental resilience. This project will conduct thorough assessments of ecosystem services and developing methodologies for their (also monetary) valorization. By providing guidance for incorporating these assessments into development planning, the project seeks to ensure that the true value of natural ecosystems is recognized and preserved. The project will involve close collaboration with stakeholders, including policymakers, environmental managers, and local communities, to create a framework that integrates ecosystem service valuation into planning

processes. Ultimately, this approach will contribute to more informed, balanced, and sustainable development decisions that protect ecosystem functions while enhancing economic and social outcomes.

For the gender related activities listed synergies will be sought for by Sida financed activities on gender and gender budgeting. The project will implement measures to ensure full, equitable, inclusive, effective, and gender-responsive representation and participation related to this, project will devise different methods for addressing vulnerable groups. Analytical reports will take into account specific needs and barriers faced by genders. Information and consultations will be conducted ensuring that all community members, regardless of their socio-economic status or literacy levels, can engage meaningfully.

This will be achieved through following set of activities:

- 4.1 Preparation the national nature/biodiversity/ecosystems financing plan in synergy with the UNDP-BioFin regional initiative, including the assessment of existing financing mechanisms
- 4.2 Design of the financing mechanism to support nature/biodiversity/ecosystem investments (e.g. investments into NbS and ecosystem maintenance/restauration)
- 4.3 Development of a road map for gender mainstreaming in nature, water, and climate policies
- 4.4 Strengthening capacities of competent authorities on gender-responsive budgeting for monitoring national spending of nature protection and climate change related funding
- 4.5 Comprehensive Assessment of Ecosystem Services

- 4.5.1 Identify and Select Pilot Protected Areas

Collaborate with local stakeholders to select 10 pilot protected areas in Serbia for detailed ecosystem service assessments. This selection will be based on biodiversity importance, current management challenges, and data availability. Prioritization will be given to 4 national parks (Đerdap, Tara, Kopaonik, and Fruška Gora), while additional areas (3 special nature reserves, 2 protected landscapes, and 1 protected natural monument, which are also areas of ecological networks and Ramsar sites) will be decided in initial phase.

- 4.5.2 Conduct Ecosystem Service Assessments

To conduct a national assessment of the state of biodiversity, ecosystems, and the services they provide to society, and to develop specific thematic and regional assessments while strengthening the role of science and expertise in the policy-making process at the global national level for biodiversity protection. The assessment of biological diversity will focus on both economic valuation and cultural and other values through the platform. Regarding the four globally defined categories of ecosystem services, this project will focus on one of these two services: Provisioning Services or Regulating services. The project will Use methodologies like IPBES, regional and local guidelines such as GIZ/ESAV and GIZ/ValuES project, to evaluate ecosystem services in the selected areas. This involves collecting field data, analyzing ecosystem functions, and mapping service flows.

- 4.5.3 Develop Ecosystem Service Profiles

The project will create detailed profiles for each pilot area, documenting the types and values of ecosystem services provided, including carbon sequestration, water purification, and recreational benefits.

- 4.5.4 Establish an assessment system for management of protected areas

Develop a software solution that will enable the assessment of the effectiveness of protected areas' management, including but not limited to: cost-effectiveness of management activities, timeliness of development of management plans, approval and alignment with national conservation goals, restoration efforts and outcomes, human resources' engagement, implementation of conservation practices, active nature protection

measures in place, stakeholder involvement, reporting on key performance indicators, implementation of sustainable practices etc, which will be quantitatively assessed by the developed software.

➤ 4.6 Create Basis for Integration of Ecosystem Service Valorization into Development Planning

○ 4.6.1 Develop Ecosystem Valorization Methodology and Tool

Create and refine methodologies for monetarily valuing ecosystem services in Serbia, incorporating best practices and lessons learned from previous projects..

○ 4.6.2 Train Stakeholders and Policymakers

Conduct training workshops and seminars for policymakers, planners, and local communities to build capacity in using ecosystem service valuation tools and integrating them into development plans.

○ 4.6.3 Develop Recommendations for Integrating Ecosystem Valorization into Development Plans

Work with local, regional and national planning authorities to incorporate the results into their development planning processes, ensuring that ecosystem services are considered in decision-making.

➤ 4.7 Enhanced Collaboration and Knowledge Sharing Through Established Collaborative Platforms and Knowledge Dissemination

○ 4.7.1 Create Collaborative Platform

Set up platform for ongoing collaboration between project stakeholders, including government agencies, NGOs, and local communities, to facilitate knowledge exchange and joint decision-making.

○ 4.7.2 Publish and Disseminate Findings

Produce and disseminate reports, case studies, and policy briefs summarizing the project's findings and best practices to broader audiences, including regional and international forums.

Output 5. Awareness about the importance of the Nature based Solutions (NbS) improved

Co-operation between CSOs, scientific community and governmental organisations in Serbia will be strengthened by bringing them together and introducing new approaches to biodiversity protection based on EU legislation and requirements stemming from MEAs. For effective societal transformation, all components of society (government, business and CSOs) must be engaged and work together, and the open dialogue between stakeholders will be the focus of this project. To increased awareness of the value to people of ecosystem services, including biodiversity, through the delivery of a communications campaign targeting stakeholders, and the public through a communication campaign. The project will develop and implement the Dialogue, Communication Strategy and media plan. The communication campaign will be developed jointly with input from all three beneficiaries and will showcase examples of biodiversity ecosystem services from protected areas in Serbia. The team, in conjunction with a marketing agency and/or videography studio, will produce different communication materials and a short video and infographics with messages from pilot site and information about the concept of NbS and ecosystem services, and the examples of how considering ecosystem services in economic decision-making led to more sustainable development. All capacity building deliverables and information will be used to generate communication messages targeted to local communities in NbS pilot site, as well as to protected areas, water resource managers and public authorities at various government levels.

The knowledge of gender roles and norms group, community, or location, area of work or influence of a certain public policy is prerequisite for the sustainability of any activity. Related to this, project will devise different methods for addressing vulnerable groups. Gender analysis will be an integral part of capacity building planning. Gender analysis will incorporate all other important characteristics, including age, ethnicity, social, economic status and other. Particular attention the project team will give to the empowerment of vulnerable groups considering the Nagoya Protocol¹⁶ on access and benefit sharing and pilot site restoration.

This will be achieved through following set of activities:

- 5.1 Development of project communication plan
- 5.2 Implementation of project communication plan focusing on public campaigns and dialogues on nature-water-climate synergy from a vulnerable groups perspective

Resources Required to Achieve the Expected Results

The ambition of the project is to capacitate the nature and water management authorities to measure a baseline, take actions and track progress with a reasonable level of effort. All project activities will be:

- 1) Credible: Grounded in the best available scientific knowledge to define what actions are necessary to protect, restore & regenerate nature and at the same time achieve societal goals to find cost-effective solutions that can support people adapt to the impacts of climate change.
- 2) Consolidated: Leveraging existing and integrate new sustainability tools and resources in nature conservation, water management and climate adaptation practices.
- 3) Stable: Designed for long-term use, so that strengthened capacities in nature protection sector will have long-lasting impact.

Project will organize initiation workshop at the beginning of project implementation to present and discuss project objectives and outcomes with the project beneficiaries and relevant stakeholders. In line with the principles of EU for Green Agenda in Serbia, the project will liaise with the Green Agenda Working Group, set by the Government/Ministry of Environmental Protection to support, planning, implementation and enforcement of nature, water and climate policies at the very beginning of the project. The project will rely on the existing Working Group for the Green Agenda, with the option to set up a separate Working Group or subsidiary expert working groups, based on the needs and in agreement with the Government/Ministry of Environmental Protection. Such existing or new Working Group structures will support both, policy work and capacity building. The project will organize at least 8 trainings for capacity building purposes for different target groups for approximately 200 people. During the capacity building the co-creation of the NbS designed to improve the quality of life for local communities will be promoted. This will build foundations for inclusive approach to co-design process relying on the engagement of diverse experts and stakeholders, and their mutual exchange of knowledge and skills which will bring benefits both for nature and people. The Working Group (as decided above) will meet at least biannually and more often if needed. The project will organize the workshops and meetings to develop Draft Law on Nature Protection and relevant bylaws according to procedures. The project will actively facilitate and support CSO engagement at all levels.

The UNDP will prepare documentation for the Challenge Call for proposals for Nature based Solution and publishe it on UNDP website. The project will define criteria for selection of the site and the NbS based on the discussion with the beneficiaries (competent Government institutions), as well as with other potential partners, such as UNDP, IUCN ECARO and other partners and relevant stakeholders. During the evaluation of proposals received to the Challenge Call, UNDP will consult 3 (three) beneficiaries' representatives

¹⁶ The Nagoya Protocol, as a supplementary agreement to the Convention on Biological Diversity aims to achieve fair and equitable sharing of benefits arising from the utilization of genetic resources. The protocol provides a solid basis for greater legal certainty and transparency for both providers and users of genetic resource.

(Ministry of Environmental Protection, Institute for Nature Conservation of Serbia and Institute for Nature Conservation of Vojvodina Province), in line with previously developed criteria.

UNDP will engage the team of consultants for supporting further policy implementation and project development to provide support to the possible analysis of policy and regulatory reforms related to the integration of nature protection in sectoral policies based on gaps identified during project implementation. Additionally, technical assistance activities will be specified in consultation with the Ministry of Environmental Protection, based on priority needs identified at the beginning of the project through strategic communication approach, considering available budget. The profile of consultants and their working experience will be in line with the subject area for which the expert is mobilised.

UNDP will work on strategic dialogue and communication, exploring different channels of dialogue creation and communication, including UN agencies (namely UNEP), Sweden (Sida) and Ministry of Environmental Protection communication platforms and strategies.

The project will draw on best international practices in the nature-water interlinkage, nature conservation and climate resilience and build on UNDP's vast experience in these fields, also seeking synergies with other Sida financed projects that also potentially could bring in member state expertise relevant for the project. Particularly important will be the experience from similar projects in Serbia and the Western Balkans. This said, other relevant projects, experiences and lessons learned from the UNDP network, as well as other UN agencies such as UNEP, will be consulted and considered while planning and executing project activities. There is a great potential for learning stemming from this and other thematically aligned projects.

Partnerships

The main beneficiaries of the project are the Ministry of Environmental Protection, the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province. However, other important beneficiaries are also the Ministry of Agriculture, Forestry and Water Management (Directorate for Waters), public companies such as Srbijavode and Vojvodinavode, due to the nature of the planned activities.

The project is prepared with the strong engagement of the main beneficiaries, the Ministry of Environmental Protection, and the Institute of Nature Conservation of Serbia and builds on a needs assessment of policy and implementation gaps. It also builds upon a theory of change to strengthen the capacities in environmental sector through policy strengthening and education and support the development of a portfolio of initiatives that will secure long-term nature conservation and sustainable development in Serbia.

The project is a co-financing to the EU for Green Agenda in Serbia project complementing activities of the EU for Green Agenda in Serbia with additional activities according to this ProDoc. Although the project is governed through a separate financial agreement between UNDP and Sweden, the project will establish several synergies between other activities under the EU for Green Agenda project and this contribution, not at least relating to the Swiss co-financing also covering local climate adaptation plans.

The project will actively involve CSO sector in each of the components: Get started – Take action – Scale up. The project will implement activities in each component through a participatory consultative process, in particular with CSOs. Active dialogue mechanism with the CSOs will be established by relying on the existing Governmental mechanisms for collaboration with CSOs. This particularly refers to their involvement in the Working Groups (existing or new that may be created) to facilitate implementation of activities, as appropriate.

The most relevant ongoing project with potential for synergy is the Sida-funded "ADAPT: Nature based Solutions for resilient societies in the Western Balkans"¹⁷ implemented by IUCN ECARO. There is a great

¹⁷ Project "ADAPT: Nature based Solutions for resilient societies in the Western Balkans": <https://www.iucn.org/our-work/region/eastern-europe-and-central-asia/adapt-nature-based-solutions-western-balkans>

potential for alignment between the “Water-nature-climate resilience nexus” and ADAPT projects, mainly related to knowledge transfer and capacity building, given ADAPT’s strong focus on the implementation of the IUCN Global Standard for Nature based Solutions in the field, policy mainstreaming and institutional capacity building.

In addition, UNDP’s Biodiversity Finance Initiative (BIOFIN), financed by Global Environmental facility (GEF) in Serbia focuses on developing financial strategies for biodiversity conservation. The project will complement BIOFIN by operationalizing the valuation methods developed, integrating them into development planning processes. Also, the project will extend the work of these initiatives by providing practical tools and frameworks for integrating ecosystem services into development planning. It will implement lessons learned from BIOFIN, and Green Agenda wetland project, particularly regarding stakeholder engagement and financial strategy development. Additionally, the project aims to strengthen collaboration among these initiatives, fostering a more coordinated approach to sustainable development and biodiversity conservation in Serbia.

The project “Together for Environment (TEP)” implemented by Belgrade Open School and their partners YRS and IUCN, supported by USAID, that focused on protected areas. This project made synergies between these two projects related to capacity building and sustainable financing of biodiversity conservation, however the TEP project was terminated (by USAID) in March 2025. This project will build on accomplishments achieved before TEP termination, as well as continue cooperation with CSOs that lead that initiative and their key experts.

In order to rely on best available experience and expertise, the project will also involve with other UN agencies, in particular UNEP. UNEP’s role will primarily be to support improvement of policy and legislation, as well as support to capacity building activities and knowledge sharing. UNDP as main implementing agency will regulate UNEP’s involvement as per the inter-agency agreements and procedures.

At regional level, the project will communicate with the Biodiversity Task Force of South-East Europe¹⁸ whose role is to coordinate activities in the nature and biodiversity pillar of the Green Agenda for the Western Balkans, first and foremost to develop a regional biodiversity strategy and action plan and a restoration plan. The results of the project will feed into the regional strategy and GAWB governance, monitoring and reporting processes.

The "EU for Natura 2000 in Serbia" has been implemented from 2019-2021, with the aim to support the establishment of the Natura 2000 network (EuropeAid/139336/DH/SER/RS). The main beneficiaries were the Ministry of Environmental Protection and the Institute for Nature Conservation of Serbia. The overall objective of the project "EU for Natura 2000 in Serbia" was to increase the effectiveness of the Republic of Serbia in the preparation for EU accession in nature protection. Support has been provided to the Ministry of Environmental Protection and other relevant national and provincial institutions to establish the first list of potential Natura 2000 sites (SPAs and SCIs), together with an information system, database, and GIS for Natura 2000. One of the main achievements of implementing the Natura 2000 project is the identification of potential Natura 2000 sites in Serbia. The current proposal contains 201 potential Sites for Community Interest and 85 Special Protection Areas. They are covering around 35% of the territory of Serbia. Detailed recommendations have been prepared for harmonization of Serbian legislation with EU Directives related to nature protection and are available in the document “Recommendations for legislative actions on the further transposition of EU requirements for Natura 2000 in Serbia”¹⁹. Further attention is needed to identify synergies with a possible second phase of the Natura project.

¹⁸ Coordinated by IUCN ECARO

¹⁹<file:///C:/Users/User/Downloads/Recommendations%20for%20legislative%20actions%20for%20EU%20requirements.pdf>

The project will build and explore synergies with other Sida funded project in the field of environment and climate:

- Environment Accession Project 4 (ENVAP4) is since more than 10 years supporting Serbia's Chapter 27 reform, both including negotiations and approximation. The main beneficiary is the Ministry of Environmental Protection, and the project is implemented by the Swedish Environmental Protection Agency and provide, where possible, Swedish expertise on EU policy. The ENVAP project engage experts from Swedish EPA related to different areas of policy and expertise.
- The Standing Conference of Towns and Municipalities and its Swedish sister organisation SALAR have entered a new phase of cooperation supporting Serbia's EU policy implementation on local level through tailored municipal support packages. The project will address for example disaster risk management.
- The Serbian and Swedish authorities for spatial planning have a long-term cooperation in improving the design and implementation of spatial planning in Serbia. The cooperation is entering a new phase with the project ePlan4eSpace. The project team will explore synergies with ePlan4eSpace. The project will potentially use Swedish expertise in the field of spatial planning relating to environmental policy. The ePlan4eSpace project has developed jointly by Republic Geodetic Authority (RGA) and The Swedish Mapping, Cadastral and Land Registration Authority (Lantmäteriet) and will start with an inception phase in the beginning of 2023. Incorporation of biodiversity-related data into the RGA's information system (clear borders of protected areas, potentially habitats of key endangered species), combined with ecosystem services valorisation methods to be developed by this project, will inform decision makers about the need for more thorough analysis when planning development that potentially affects these zones.
- The Serbian National Academy of Public Administration (NAPA) gets support to develop general and specific training programmes tailored to specific needs from the scope and competence of state authorities. The project is implemented by UNDP and potentially also include trainings related to environmental issues.
- The Young Researchers of Serbia (YRS) get support through the project Ecosystem to support CSO network building on different topics. For the year 2023 special attention will be given to biodiversity.

Risks and Assumptions

There are four main risk areas to consider:

Risk 1: Low level of interest and/or engagement of beneficiaries and target groups in project activities.

Extent of risk and degree to which it can be influenced: Low to moderate likelihood to happen with moderate consequences. High chance to be minimized. Strategy to minimise risk: Establish good cooperation with stakeholders and support transparency through inclusive and solution-oriented approaches at the very beginning of project implementation. The project will use the existing institutional working groups to avoid overlaps, such as the Working Group for Green Agenda. If need be, the project may set up new Working Groups comprised of nominated representatives of competent institutions and stakeholders from scientific community and CSOs (e.g. in case of development of legislation etc.). The WGs will, as appropriate, co-create the joint work plan with clear tasks, roles and responsibilities for each participant to establish project ownership. In case of the existing working groups, the project will advocate with the Government/Ministry of Environmental Protection, to amend composition or working arrangements, as appropriate. The meetings will be demand driven (at least biannually) with minutes for follow up actions.

Risk 2: Low beneficiaries' capacities to participate causing delays in implementation, including due to the parliamentary elections. Extent of risk and degree to which it can be influenced: Low to moderate likelihood to happen with moderate consequences. High chance to be minimized. Strategy to minimise risk: Dedicate

more time and effort to building capacities of beneficiaries. This risk will be assessed during the project inception phase, when capacity of stakeholders will be evaluated, and appropriate mitigation measures designed. The project will support beneficiaries through capacity building related to strategic planning and all events will be prepared in a constructive way to address the gaps in knowledge and/or skills of beneficiaries, including for the newly established institutional structures upon the elections. The assessment of gaps in knowledge and/or skills of beneficiaries will be conducted before the design of capacity building. The project will explore the possibility to include the capacities of the National Academy of Public Administration to support project beneficiaries' education.

Risk 3: Potential changed political priorities. Extent of risk and degree to which it can be influenced: Low to moderate likelihood to happen with low consequence. High chance to be minimised. Strategy to minimise risk: certain project activities would need to be adjusted.

Risk 4: Low interest of media for biodiversity conservation and ecosystem services. Extent of risk and degree to which it can be influenced: Low to moderate likelihood to happen with moderate consequences. High chance to be minimized. Strategy to minimise risk: The project communication activities will be supported by beneficiaries and external communications expertise. Cooperation with editors will be established, not just journalists, to increase project's leverage on comms planning and outputs. Partner networks and social media will be actively used. The project communication strategy and media plan will be developed at the very beginning of the project to ensure strong visibility. Two (2) public awareness campaigns on NbS will be developed and implemented in participatory way with the inputs from the project beneficiaries and other relevant stakeholders.

All risks, envisaged or emerging, will be actively managed, identified and mitigated throughout the project. Risk management will be integrated into the project governance and management infrastructure.

Multi-dimensional poverty analysis

Nature underpins all 17 Sustainable Development Goals and provides cost-effective mitigation options to the climate crisis. The "EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience" project will directly contribute to the SDGs 6, 13 and 15, as well as to the SDG 5 on gender equality.

The multi-dimensional poverty analysis applied by Sida is an analytical framework used to ensure continued relevance and poverty focus in operations of projects. The analysis shows four dimensions of poverty (Resources, Opportunities and Choices, Power and voice and Human security) and analyses four aspects of the context (Economic&Social, Political&Institutional, Conflict&Peaceful context and Environmental Context). For the current contribution the environmental context to consider is for example that severe biodiversity loss put pressure on livelihoods and potentially has a negative impact on human rights, such as the right to a healthy environment. Biodiversity loss, as well as climate change, also has clear links to all other context dimensions, not at least the political and institutional, as presented above. At a first glance, multi-dimensional poverty manifests clearly in a resource perspective where biodiversity loss and mismanagement of water can have severe impacts for the individuals. For example vulnerable groups that – owing to factors including geography, poverty, gender, age, minority status, social origin, disability – may experience heightened exposure and vulnerability to climate change effects, such as water scarcity, floods, land degradation and drought, lack of food, etc. However, other dimensions of poverty, such as power and voice is also of high importance since access to information, participation in decision-making and access to justice may be limited.

In short, project interventions contribute to prevention of different dimensions of poverty. For example, the inclusive approach in the process of development of legislation will enable better societal dialogue, and should also, in line with international biodiversity guidelines, keep in mind the vulnerable groups, in particular rural communities, to participate in decision making and promote their interests. In addition, planning and investments concerning protection and restoration of wetlands will contribute to prevention of poverty related risks, such as floods, hunger (by maintaining water quantities needed for irrigation of crops) etc. Also, the potential improvement of cadastre data and information related to

identification of land under protection, could improve the opportunities and choices for the citizens (in particular farmers) to influence development perspectives. The project will map a first workshop, or other activity related to project work program for example in the start-up of Output 1 on legislative and strategic planning workshop, where multi-dimensional poverty perspectives and project activity planning will be further discussed.

Environmental Impact Assessment

See annex to Pro Doc following SESP template.

Stakeholder Engagement

All consulted stakeholders expressed their interest and readiness to engage in consultation processes and capacity development programmes, as well as to provide data and information needed. The relevance for involving these stakeholders is capacity building and engagement of experts working in research institutes and CSOs concerned with the development and implementation of nature, water and climate policies. The participation of these organisations in the working groups (existing or new that may be established) will provide knowledge and expertise, as well as enhance data governance.

The main beneficiaries of the project are the Ministry of Environmental Protection, Institute for Nature Conservation of Serbia, and the Institute for Nature Conservation of Vojvodina Province. The Ministry of Environmental Protection is the main Government authority in charge of creation and implementation of the nature protection and management and climate change policy, including in coordination with other competent institutions and specialized agencies. Also, the Ministry has shared responsibility over the water management, in particular with the Ministry of Agriculture, Forestry and Water management. For that reason, the project will particularly coordinate activities under the guidance of the Ministry of Environmental Protection but in close cooperation with the Ministry of Agriculture, Forestry and Water Management. Such approach is important to ensure full synergy between project interventions in all three components, by reflecting the water-nature-climate approach. In addition, the project activities will significantly support both ministries in improved compliance with multilateral environmental agreements (e.g. CBD, Ramsar Convention, UNFCCC), as well as in further compliance with the EU acquis, including the Negotiating Cluster 4. The Institute for Nature Protection of Serbia is an organisation that performs activities for the protection of nature and natural resources located in the territory of the Republic of Serbia. The Institute for Nature Protection of Serbia maintains a register of protected natural resources and an information system on nature protection (databases on protected natural assets, habitats, protected species, ecological network areas), prepares the evaluation studies for the designation of future protected areas, prepares a medium-term programme for the protection of natural resources and a report on the state of nature. The Provincial Institute for Nature Protection was established to perform activities for the protection of nature and natural resources that are in whole or in part on the territory of Autonomous Province of Vojvodina. The Provincial Institute for Nature Protection keeps the provincial register of protected natural resources for the territory of the autonomous province and submits data on changes in the register to the Institute for Nature Protection of Serbia for entry in the central register. The staff of both institutes will be a prime target group for the capacity building and training activities and will at the same time provide local experts for the project Working Groups, if such will be established.

The project target group includes both rights-holders and duty-bearers. They will participate in project implementation and support policy work and contribute with technical expertise or financial resources. The project target group includes, but is not limited to the following: Ministry of Agriculture, Forestry and Water Management in Serbia, Ministry of Finance, Serbian Environmental Protection Agency, Secretariat for Agriculture, Forestry and Water Management of Autonomous Province of Vojvodina, Secretariat for Urban Planning and Environmental Protection of Autonomous Province of Vojvodina, Republic Geodetic Authority protected areas managers, Public Water Enterprise "Srbijavode", Public Water Enterprise "Vode

Vojvodine”, National Academy of Public Administration, Public Policy Secretariat, Ministry for Public Investments, Standing Conference of Towns and Municipalities, scientific community – Institute for Biological Research “Siniša Stanković” – National Institute of the Republic of Serbia, University of Belgrade and other research institutes, universities and CSOs.

The project will promote participatory approaches and inclusiveness at both national and local levels. Concerning the working groups, the project will, similar to the EU for Green Agenda in Serbia project, utilize the existing Green Agenda Working Group formed by the Government/Ministry for Environmental Protection. However, if need be, the project may create multi-stakeholder ad-hoc working groups in case of development of assessments, legal and other documents to ensure that interests and positions of relevant stakeholders are taken into account, such as academia, CSOs, local self-governments, business community, minority groups and vulnerable population. Besides, the working groups will always involve representatives of relevant authorities and management structures of legal relevance to the implementation of project activities, such as Ministries for environment, agriculture and water management, Institutes for Nature Conservation, Public Companies (e.g. water management), etc. This approach will also ensure provision of most up-to-date data and information that any of the stakeholders may possess. The project will apply same approach throughout the capacity building activities, organization of dialogues, promotional activities etc. Such inclusive approach will provide reflective learning and contribute to co-creation of project outcomes. The project team will make sure that CSO representative participates in each of the stakeholder working groups and attendance lists of the capacity building, awareness raising events and project-supported dialogues. The project will advocate with the Government/Ministry of Environmental Protection, that CSOs are more included in the activities of the Green Agenda Working Group. Also, to ensure CSO participation, the project will recommend their inclusion through the criteria of the challenge calls, whereas applicant will be asked to consider adding a CSO among implementing partners. In case the existence of multi-stakeholder working groups and other structures, is important beyond the project timeframes to ensure sustainability of the interventions, the project team will provide recommendations to relevant authorities to integrate/transform such working groups into more permanent governance structures (such as for example National Council for Climate Change etc.). Involvement of this variety groups of stakeholders in nature conservation decisions will contribute to the following:

- Unlock important local knowledge about natural resources and biodiversity threats and their management.
- Highlight social and cultural issues and context that will influence the success of biodiversity conservation policies, initiatives, and projects.
- Reduce or resolve conflicts between stakeholders.
- Create new relationships among stakeholders.

Cooperation with the scientific community and CSOs will improve research collaboration and a peer-reviewed synthesis of the best available scientific knowledge related to project implementation. The development of biomonitoring mechanism is of crucial importance, as well as data management, GIS modelling, integration of other sectors. Also, citizen science has become a powerful tool for collecting big data on biodiversity and could be supported through this project.

South-South and Triangular Cooperation (SSC/TrC)

- N/A.

Digital Solutions²⁰

The project aim to upgrade the application for field research developed for Natura 2000 mapping purposes and include wetland inventory data entries as well as support the enhancement of the information systems

²⁰ Please see the [Guideline “Embedding Digital in Project Design”](#).

and biodiversity databases maintained by the Institutes for Nature Conservation. This will enable the development of new tools in support of the designation of new protected areas, as well as enable more systematic management and monitoring of biodiversity and ecosystems. An efficient biodiversity database requires data that is reliable, standardized, compatible and ready for upscaling. Such a database, compatible with the information system managed by the Environmental Protection Agency, will support the work of the Institutes related to:

- Field research and the development of studies as a basis for the designation and management of protected areas;
- Monitoring of the state and assessment of the species, habitats, ecosystems, protected areas, ecologically important areas and ecological corridors of the ecological network of the Republic of Serbia;
- Expert supervision in protected areas including expert support to protected areas managers;
- Issuing of official documents on the conditions to be fulfilled and measures to be applied regarding the conservation of nature and natural values in the process of drafting project documentation, spatial and urban plans, basic documents pertaining to forests, hunting, fishing and water management, programs and strategies in all activities that affect nature, and upon their development, the issuing of official opinions on the fulfilment of these conditions.

The project will support digitalization of following project outputs related to the implementation of the Ramsar Convention: 1) wetland inventory: the collection and/or collation of core information for wetland management, including the provision of an information base for specific assessment and monitoring activities; 2) wetland assessments: the identification of the status of, and threats to, wetlands as a basis for the collection of more specific information through monitoring activities; and 3) methodology and protocols for wetland monitoring: collection of specific information for management purposes.

Project will develop and promote mobile application for citizens science to support public participation and collaboration in scientific research to increase scientific knowledge.

For the preparation and planning of digital solutions, the project will support a close dialogue with Republic Geodetic Authority (RGA) and Lantmäteriet (Swedish Mapping, Cadastral and Land Registration Authority) engaged in the project ePlan4eSpace .

Knowledge

The project will apply following guiding principles during the implementation: 1) participatory action research-based analysis, 2) reflective learning and 3) co-creation of project outcomes. The inclusive approach will provide a safe space for interaction to enable constructive contributions and ensure high level of ownership over results among beneficiaries and stakeholders. This is of utmost importance for development of wetland inventory and upgrading the information system on biodiversity because the Institute for Nature Conservation of Serbia, the Institute for Nature Conservation of Vojvodina Province, research institutes, universities and environmental NGOs should work closely together to develop and maintain the biodiversity database. The aims of this process will be to improve cooperation between project stakeholders and contribute to the impact-oriented and evidence-informed decision making in nature, water, and climate policies. The main steps of the process are following: 1) sharing – of data, information, documents, experiences, etc.; 2) listening – conversations and participatory workshops with stakeholders; 3) reflecting – developing initial solutions and facilitating reflections with beneficiaries; 4) co-creating final solutions – further developing solutions based on reflections, engaging beneficiaries in co-creating the process for embedding the solutions into organisational practices.

The new wetland inventory will be fully comparable with other wetland inventories with an initial focus on basic datasets describing the location and size of each wetland, and its major biophysical features, including variations in area and the water regime. Information oriented to management will be collected after the

basic data have been acquired. This will include the following information: status of wetlands - wetland threats and uses, extent and distribution of wetlands, rate and extent of wetland loss and degradation, land tenure and management, wetland benefits and values. Sources of information will be clearly recorded along with comments on its accuracy and availability. The educational materials will be developed for all capacity building trainings. The project will integrate existing data streams - upgraded application for field research developed for Natura 2000 mapping (output indicator 2.6.) and upgraded information systems and biodiversity databases in the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province (output indicator 2.7) to produce relevant biodiversity information and data for tailored to project pilot sites for NbS implementation, as well as for preparation of National wetland inventory according to the Ramsar Framework for Wetland Inventory (output indicator 2.8) and Wetland Restoration Action Plan (output indicator 2.11). To define the various stakeholders needs related to ecosystems, engagement will be done through the following key steps: 1) partners workshop; 2) collection of information through a survey on biodiversity data needs addressed to project partners and relevant stakeholders. The semi-structured interviews with selected stakeholders to complement the survey responses will be conducted. The focus will be on freshwater and terrestrial biodiversity. Biodiversity data is needed to ensure integrated cross-sectoral policies: biodiversity data can provide evidence for policies for agriculture, climate change, infrastructure, freshwater, nature-health linkages, green investments, and financial accounting.

The project will support amendments of the NAPA learning module on environment and climate change by strengthening the nature-water-climate concept. Also, the project team will put on the dedicated webpage all learning materials prepared for trainings, as well as documents produced to provide stakeholders with knowledge and information of relevance for their work, including exemplar on the NbS pilot site that can be used as case study for replication. The four (4) online courses on climate change adaptation²¹: 1. Understanding Climate Change, 2. Key Concepts in Climate Change Adaptation, 3. Understanding Vulnerability and 4. Wildlife and Climate Change, developed in the framework of “Climate Pact for Impact” project funded by Sida are available online for the capacity building of the stakeholders.

Sustainability and Scaling Up

To project outcomes will greatly enhance and support the delivery of Multilateral Environmental Agreements (MEAs) and enable decision-makers with the following:

1. Make it sustainable: support MEAs by a robust governance system to ensure that implementation is effective.
2. Provide timely and adequate resources for the scale of the challenge: the enough financial resources should provide support to the implementation of MEAs on an equitable basis, to ensure that the right investments can be made and in time to tackle pressing nature protection and climate adaptation challenges.
3. Improve and strengthen governance: the current practices lack provisions to ensure nature protection, water management and climate plans are developed inclusively and transparently, while safeguards to ensure effective and strategic use of funds are lacking. The money flow must be as transparent as possible and there is a need to put monitoring mechanism in place.

Following logical intervention which will be used in the project there are several possibilities for Sustainability and Scaling Up.

1. Get Started – support enabling regulatory and policy improvements for strengthening climate resilience by relying on Nature based Solutions and ecosystem services with a focus on wetlands;

²¹ <https://wwfadapt.org/>

There is potential to build climate change resilience through improved water management and wetland restoration in cooperation with Ministry of Agriculture, Forestry and Water Management (Republic Directorate for Water). In the previous period Serbia developed Water Management Strategy by the year 2034²², as well as draft Water Management Plan for the Republic of Serbia 2021–2027 and the Flood Risk Management Plan have been developed. The two draft documents have not yet been adopted by the Government of the Republic of Serbia, still they provide a good source of information and guidance on sector-specific needs and priorities. Despite the national protections in place, threats like unsustainable water management, sand/gravel extraction, hydropower plants, and inland navigation development have directly degraded these ecosystems. This is compounded by climate change, with the region seeing increasing droughts and floods that are impacting biodiversity and decreasing the stability of local livelihoods. In particular, wet meadows, floodplain forests, side-branches and oxbows are losing their connection to the river, which causes loss of habitats for many endangered species and adversely impacts aquifers available for local communities. The pipeline of the wetland restoration projects including feasibility studies and stakeholder engagement plans and allocation of financial resources for wetland and floodplain restoration will be explored and developed further.

Being a signatory to the Sendai Framework on Disaster Risk Reduction, Serbia should also further explore the potential and roles of ecosystems maintenance and restoration for building resilience to climate-related disasters (particularly forests, shared river basins and wetlands). This project will support the cooperation with the Ministry of Internal Affairs currently leading the preparation of the “National strategy for protection and rescue in emergency situations”, because there is potential for development the natural water retention measures as disaster risk reduction priority.

Nature based Solutions are not included in Serbia’s NDCs related to climate change mitigation and adaptation, there is potential for cooperation between the project and the Ministry of Mining and Energy.

2. Pilot Actions – solicit and co-finance implementation of pilot investment projects that promote the use of Nature based Solutions and ecosystem services for increased climate resilience with a focus to biodiversity and wetland restoration;

The ADAPT project is currently working on the integration of NbS into the national DRR Programme which should help planning processes and funding for NbS down the line and further efforts could synergize with this work. The Nature based Solutions in pilot sites has been created within the ADAPT project, with a focus on forest management, and important lessons learned from these activities will be used to design further pilot actions and take the next steps in achieving scale and financial sustainability.

3. Scale up - identify new projects, across the sectors, that are promoting Nature based Solutions and ecosystem services as solutions for strengthening climate resilience of investments

The Project Management Team will explore the BIOFIN initiative²³ approach to mobilize and manage capital and use financial and economic incentives to support sustainable biodiversity management through the development of a National Biodiversity Finance Plan. The Ministry of Environmental Protection formally applied to become member of the global biodiversity finance programme (BIOFIN). This means that the project will support assessments of nature/biodiversity related financing options using the BIOFIN methodology and provide “bottom-up” analyses and propose resource mobilization strategies, embedded in a transformative process led by national stakeholders, aimed at allowing Serbia to implement its National Nature Protection Strategy and work on the elaboration of the Nature/Biodiversity Financing Plan. Apart from envisaged international financial support, the Ministry of Environmental Protection and the Ministry of Finance will need assistance in technology transfer and capacity building to 1) influence and mobilize mainstream asset flows towards sustainable development investments and environmental benefits and 2)

²² Water Management Strategy by the year 2034: https://www.rdvode.gov.rs/doc/Strategija_FINAL.pdf

²³ The Biodiversity Finance Initiative: <https://www.biofin.org/>

develop and support green financial mechanisms and solutions that are relevant to mainstream investors and enable them to allocate investment.

Serbia needs further diversification of funding for nature, water, and the implementation of climate policies. The project EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience will explore other funding possibilities. For example, the Ministry for Public Investments (former Public Investment Management Office) channels significant financial support for the infrastructure investments and for prevention of natural disasters. The project will advocate with this Ministry how to ensure regular public investments in Nature based Solutions, including beyond the project timeframe. Also, as mentioned above, the nature capital should be integrated in the budgets, as well as in the criteria for infrastructure investment projects (such as in transport, energy, and construction infrastructure). Similarly, the donors, IFIs and commercial banks should also consider nature capital in their green grants and borrowing schemes. The project can support this through advocacy among financing/donor institutions, but also through assessment of options and provision of recommendations.

The project outcomes will contribute to Serbia's active participation in the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). There is a need and potential for Serbia to strengthen its participation in IPBES and conduct assessments on the impacts of economic development and climate change on ecosystems and biodiversity, improve capacities and policy planning in climate-resilient nature conservation and application of Nature based Solutions. Promotion of IPBES eLearning modules aims to support understanding of IPBES conceptual framework, assessment process and data management policy tutorials will be included in project capacity building trainings.

UNDP has broad experience in catalytic financing. UNDP implemented catalytic financing since 2017 in Serbia by relying on the Innovation Challenge mechanism and the Low-Value Performance-Based Payment Agreements. The methodology follows a set up widely used by UNDP globally. UNDP, together with the Government, tested this financing modality successfully through the projects such as: GEF-funded Climate Smart Urban Development Challenge (closed), Reducing Community Carbon Footprint by Circular Economy Approach (on going); Sweden/Sida-funded project "Climate Smart Bio-Waste Management Challenge" (closed) and the EU for Green Agenda in Serbia (ongoing). The Low-Value Performance-based payment is an umbrella term for various schemes that pay a party upon the achievement of results, rather than for efforts to accomplish those results. Otherwise, similar to other grant incentives, the performance-based payments modality can be considered as a form of credit enhancement to increase projects' economic viability thus making it easier to reach their financial closure. Also, the PBPs may be used for development challenges that are typically "large and proven", which means the theory of change is well understood, the 'result' has already been tested in another setting, and best practices exist that can be replicated at scale. Applying the PBP increases focus on measurable and sustainable development results, validated by the Project Board base on the prior assessment assistance of the independent, international project advisor. They also incentivize full achievement or over-achievement of the pre-agreed results, while, similarly, they allow flexibility to reduced payments envisaged for near-misses or partial achievement of results. The PBPs are considered to be drivers of innovation and accountability and the recipient must be financially viable and able to bear certain upfront costs. Applying PBPs provide greater certainty to donors about the Value for Money for scarce development funds, as well as they reduce donor's financial and reputational risks. PBPs are convenient for catalysed funding from other development partners attracted by scalable and measurable results. The issuance of PBPs will be subject to the decision of the Project Board and the PB will be in charge of monitoring implementation of the PBPs and approve each payment as per the delivered results. Only upon the receipt of the documentation that confirms fulfilment of the planned results (deliverables) by the PBP beneficiary, the project management team will prepare recommendation to the PB for approving or discarding the payments. Any deviation from original PBP will have to be also verified and approved by the PB. Also, in case the recipient of the PBP fails to deliver agreed results, the PB will decide on cancelation of the PBP. By practicing this approach, UNDP managed to catalyse Government financing, donor financing (e.g. the EU, Global Environment Facility, Governments of Switzerland, Sweden and Japan) and private sector financing to support green and low-carbon investment projects and businesses. For example, the total value

of catalysed investments of the private sector in Serbia amounts more than \$40 million, against the \$5 million of Government and donor seed funding. With the recent Green Agenda for Serbia platform of projects, within only first year of implementation, UNDP managed to mobilize interest of more than 140 companies that are selected to the challenge calls to receive the acceleration support. Total investment value of selected businesses amount more than \$70 million.

With regards to ecosystem services, the following actions will be taken to ensure that the project results and benefits are sustained beyond its lifetime:

- **Capacity Building:** Continuous training and knowledge transfer will be provided to local stakeholders, including policymakers, planners, and community leaders. This will ensure that the skills and methodologies developed during the project are retained and used in future planning efforts.
- **Institutional Integration:** The project will work closely with the Ministry of Environmental Protection, local and regional planning authorities to integrate ecosystem service valorization into existing development frameworks and policies. This institutionalization will embed the practices into regular planning processes.
- **Creation of Collaborative Platforms:** Establishing ongoing collaborative platforms will facilitate continued dialogue and knowledge sharing among stakeholders, promoting the long-term adoption and adaptation of project outcomes.
- **Documentation and Dissemination:** Comprehensive documentation of methodologies, case studies, and best practices will be shared through reports, policy briefs, and workshops, enabling replication and scaling of successful approaches.

Results for Replication or Scaling Up:

- **Ecosystem Service Valorization Framework:** The methodology and tool developed can be replicated in other regions or countries with similar ecological and socio-economic contexts.
- **Integrated Development Planning Models:** The approach of incorporating ecosystem service valorization into development plans can be scaled up to broader geographic areas or adapted for different sectors.
- **Stakeholder Engagement Practices:** The collaborative and capacity-building strategies used can serve as models for future projects aiming to integrate environmental considerations into planning processes.

IV. PROJECT MANAGEMENT (1/2 PAGES - 2 PAGES RECOMMENDED)

Cost Efficiency and Effectiveness

The project will be actively using the in-house knowledge of UNDP's project team. Subcontracting costs will be divided in the following categories:

1. Costs of expertise (experts fees)
2. Upgrading the information system on biodiversity and database in the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province (technical equipment, software packages, applications and/or upgrading, etc.)
3. Nature based Solutions implementation in the pilot site
4. Meetings costs
5. Translation of project working materials and deliverables (manuals, tools, Wetland Restoration Action Plan, etc.)
6. Design of project working materials and deliverables (manuals, tools, Wetland Restoration Action Plan, etc.)
7. Educational materials

8. Public awareness campaign on Nature based Solutions
9. Design and printing of project visibility materials

All the subcontracting costs will be implemented through the open bidding procedure according to UNDP procedures which will ensure the best value for money and transparency.

Project Management

UNDP will be responsible for the provision of substantive and operational inputs for efficient and effective implementation of the project activities. The operational base of this Project will be UNDP office in Belgrade, in the Republic of Serbia. The Project will be using existing office space provided for UNDP projects within the Ministry of Environmental Protection. The Project will also use the office space of the EU for Green Agenda project.

UNDP will ensure the overall coordination at the level of the entire project. UNDP will act as the entrusted entity with the full administrative and financial responsibility for the project. UNDP is assuming responsibility for overall management and coordination of the project, including financial management, reporting and any amendments of the contract. UNDP compliance and oversight mechanism will ensure transparent and effective implementation of all planned activities. The UNDP will appoint the Project Manager who will be supported by a Project Assistant. UNDP will also appoint an oversight team for programme, financial, procurement oversight, as well as one communication officer.

However, to closely monitor progress in implementation of the activities of this project, UNDP, will establish the Project Board (PB) for the “EU for Green Agenda: Protecting and Investing in biodiversity, water for enhanced climate resilience”. The Project Board is comprised of the Government of Serbia represented by the Ministry of Environmental Protection, as main beneficiary, the Embassy of Sweden/Sida and UNDP. This will ensure ownership, facilitate decision making process and achievement of set objectives. The PB will decide based on consensus.

The PB will take strategic decisions and supervise the proper implementation of the project, will decide on adjustments to the planned activities as appropriate and in line with the flexible approach of the project. PB shall meet semi-annually unless further ad hoc meetings are necessary. Agreement changes are done according to the Agreement between UNDP and Sweden.

UNDP will provide administrative and technical support to the PB, including organising meetings and drafting/circulation of agendas (2 weeks before meetings), documentation for consideration (1 week before meetings) and taking minutes (1 week after meetings). Implementation/non-implementation of PB decisions shall be noted in the subsequent report.

The Project shall be subject exclusively to the internal and external auditing procedure provided for in the financial regulation, rules, policies and procedures of UNDP. Should the Audit Report of the Committee of Auditors of UNDP to its governing body contain observation relevant to the contributions, such information shall be available to the Donor.

UNDP will ensure coordinated steering and implementation with the *EU for Green Agenda in Serbia* project, see further VIII Governance and management structures.

V. RESULTS FRAMEWORK²⁴

Intended Outcome as stated in the UNSDCF/Country [or Regional] Programme Results and Resource Framework: OUTCOME 1.2 NATURAL AND CULTURAL RESOURCES ARE MANAGED IN A SUSTAINABLE WAY
Outcome indicators as stated in the Country Programme [or Regional] Results and Resources Framework, including baseline and targets: Percentage of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type (a. Freshwater; b. Land) (Tier 1) SDG 15.1.2 a) Number of improved forest management plans b) Ecological networks c) Estimated percentage of degraded land d) Protected areas Baseline (year): a) 0 (2020) b) 20 (2018) c) 6.47% (2019) d) 7.4 (2018) Target (2025): a) 50 b) 25 c) 6% d) 12
Project Objective: improve governance and management of ecosystems through increased capacities for planning, implementation and enforcement of nature, water and climate policies by 2026.
Applicable Output(s) from the UNDP Strategic Plan: 4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods 4.2 Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions
Project title and Atlas Project Number: EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience

EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
EU for Green Agenda in Serbia: Get Started										
Output 1 Regulatory and strategic planning framework ²⁶	1.1 Draft Law on Nature Protection aligned with the nature protection EU acquis and relevant MEAs	Project report	0	2021	First draft	Final draft			1	Collection method: Ministry of Environmental Protection Annual reports Frequency: annually

²⁴ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

²⁵ It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

²⁶ Amending national legislation by following requirements of multilateral environmental agreements (Convention on Biodiversity (CBD), Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention), UN Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention), Convention on Conservation of European Wildlife and Natural Habitats of Europe (Bern Convention), the EU acquis (EU Birds and Habitats Directives, EU Water Framework Directive, EU Floods Directive, Invasive Alien Species-IAS Regulation)

EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
underpinning nature-water-climate nexus approach improved										Responsibility: UNDP staff Risks: Lack of engagement in decision-making process
	1.2 # of adopted Bylaws	Project report	0	2021	Working groups established	1	1		2	Collection method: Ministry of Environmental Protection Annual reports Frequency: annually Responsibility: UNDP staff Risks: Lack of engagement in decision-making process
	1.3 # of trained staff of the Institute for Nature Conservation of Serbia and Institute for Nature Conservation of Vojvodina Province using the tailor made capacity building programme	Project report	0	2021	0	15		15	30	Collection method: Attendance lists, questionnaires, assessment reports, minutes of the events Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	1.4 # of trained protected areas managers using the tailor made capacity building programme	Project report	0	2021	0	25		25	50	Collection method: Attendance lists Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	1.5 # of trained staff of the water management authorities and agencies: Ministry of Agriculture, Forestry and Water Management-Republic Directorate for Water, Public Water Enterprises" Srbijavode" and "Vode	Project report	0	2021	0	20		20	40	Collection method: Attendance lists Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings

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EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
	Vojvodine" using tailor made capacity building programme									
	1.6 # of trainings included in learning modules of NAPA		0	2021	1			1	2	Collection method: NAPA website Frequency: annually Responsibility: UNDP staff Risk: Low response rates of NAPA staff
Output 2 Capacities on sustainable and participative management of protected areas and the water-related ecosystems are increased, as well as the capacities on NbS and gender-sensitive, climate adaptation planning	2.1 Assessment Report of protected area's role in achieving climate change adaptation and mitigation goals	Project report	0	2021	1				1	Collection method: Frequency: once Responsibility: UNDP staff Risk: Low interests of PAs managers to participate
	2.2 # of Nature based Solutions integrated in climate change mitigation and adaptation measures of NDCs	Project report	0	2021		1			1	Collection method: Updated NDC of the Republic of Serbia Frequency: once Responsibility: UNDP staff Risks: Lack of political commitment
	2.3 # of trained staff of competent authorities on Copernicus Services and Sectoral Information System (SIS)	Project report	0			20	20	20	3	Collection method: Attendance lists Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	2.4 # of trained persons on the use of Climate Atlas of Serbia ²⁷ and Disaster Risk Registry in 10 municipalities with	Project report	0	2021		30	30		60	Collection method: Attendance lists Frequency: annually Responsibility:

²⁷ [Digitalni atlas klime Srbije \(eko.gov.rs\)](https://eko.gov.rs/)

EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
	focus on impacts of climate change on nature conservation and water management by promoting the multi-functional purpose of freshwater ecosystems									UNDP staff Risk: Low interests to participate in the trainings
	2.5 # of persons from the women's rights organizations trained on the protection of biodiversity, climate adaptation and mitigation	Project report	0	2021		20	20		40	Collection method: Attendance lists Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	2.6 # activities in synergy with other Swedish funded projects, ie Swedish expertise on spatial planning and nature management	Project report	0	2021	10	10			20	Collection method: Attendance lists Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	2.7 Upgraded application for field research developed for Natura 2000 mapping purposes	Project report	0	2021		1			1	Collection method: Institute for Nature Conservation of Serbia and Institute for Nature Conservation of Vojvodina Province Annual reports Frequency: once Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	2.8 Upgraded information systems and biodiversity databases in the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province	INCS and INCVP database is functional	0	2021			2		2	Collection method: Institute for Nature Conservation of Serbia and Institute for Nature Conservation of Vojvodina Province Annual reports Frequency: once Responsibility: UNDP staff Risk: Low interests to participate in the trainings

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EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
	2.9 National wetland inventory completed according to the Ramsar Framework for Wetland Inventory	INCS and INCVP database	0	2021			1		1	Collection method: Ministry of Environmental Protection Annual report Frequency: once Responsibility: UNDP staff Risk: Poor data availability
	2.10 Updated Ramsar Sites Information Service (RSIS) based on new data for Serbia	RSIS	0	2021			1		1	Collection method: RSIS platform Frequency: once Responsibility: UNDP staff Risk: Poor data availability
	2.11 # of users of mobile application for citizens science	Mobile app	0	2021			5.000	5.000	10.000	Collection method: Open data portal and sensor community Frequency: once Responsibility: UNDP staff Risk: : Poor data availability
	2.12 Wetland Restoration Action Plan completed	Project report	0	2021			1		1	Collection method: Ministry of Environmental Protection Annual report Frequency: once Responsibility: UNDP staff Risk: Poor data availability
EU for Green Agenda in Serbia: Take Action										
Output 3 NbS implemented in pilot site	3.1 # of preselected pilot sites with high potential for climate adaptation through implementation of NbS	Project report	0	2021		3			At least 3 pilot sites	Collection method: Review/analysis of relevant reports Frequency: once Responsibility: UNDP staff Risk: Poor data availability
	3.2 Call for proposals for Nature based Solution challenge launched	Project report	0	2021		1			1	Collection method: Review/analysis of relevant reports Frequency: once Responsibility: UNDP staff

EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
										Risk: Insufficient visibility of the NbS challenge call
	3.3 # of identified pilot sites for potential implementation of NbS	Project report	0	2021			1		1	Collection method: Review/analysis of relevant reports Frequency: once Responsibility: UNDP staff Risk: Low interest of stakeholders to response on NbS challenge call
	3.4 # of NbS implemented	Project report	0	2021				1	At least 1 pilot site	Collection method: Review/analysis of relevant reports Frequency: once Responsibility: UNDP staff Risk: Low quality of project applications
	3.5 Assessment Report on sites with high protentional for implementation of NbS in the future	Project report	0	2021		1			1	Collection method: Review/analysis of relevant reports Frequency: once Responsibility: UNDP staff Risk: Low commitment of stakeholders
EU for Green Agenda in Serbia: Scale-up										
Output 4 Additional financing identified for ecosystem restoration to increase the climate resilience of floodplains and related ecosystem services	4.1 National nature/biodiversity/ecosystems financing plan prepared	Project report	0	2021			1		1	Collection method: Ministry of Environmental Protection Annual report Frequency: once Responsibility: UNDP staff Risk: Low interest of respective project beneficiaries
	4.2 Designed financing mechanism to support nature/biodiversity/ecosystem investments (e.g., investments into NbS and ecosystem maintenance/restauration)		0	2021				1	1	Collection method: Ministry of Environmental Protection Annual report Frequency: once Responsibility: UNDP staff

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EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
										Risk: Low interest of respective project beneficiaries
	4.3 # of trained persons on gender-responsive budgeting for monitoring national spending of nature protection and climate change related funding	Project report	0	2021			20	20	40	Collection method: Attendance lists Frequency: annually Responsibility: UNDP staff Risk: Low interests to participate in the trainings
	4.4 Road map for gender mainstreaming in nature, water, and climate policies		0	2021		1				Collection method: Ministry of Environmental Protection Annual report Frequency: once Responsibility: UNDP staff Risk: Low interest of respective project beneficiaries
	4.5 # of identified and selected Pilot Protected Areas		0	2024	0	0	5	5	10	Collection method: List of selected Areas Frequency: twice Responsibility: UNDP staff Risk: Low interest of respective project beneficiaries
	4.6 # of conducted Ecosystem Service Assessments		0	2024	0	0	5	5	10	Collection method: Assessment reports Frequency: twice Responsibility: UNDP staff Risk: Low interest of respective project beneficiaries
	4.7 # of developed Ecosystem Service Profiles profiles for each pilot area, documenting the types and values of ecosystem services provided, including carbon sequestration, water purification, and recreational benefits		0	2024	0	0	5	5	10	Collection method: Ecosystem Service Profile Report Frequency: twice Responsibility: UNDP staff Risk: Low cooperation of respective project beneficiaries

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EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
	4.8 # of developed software solutions to enable the assessment of the effectiveness of protected areas' management		0	2024	0	0	0	1	1	Collection method: Software developed and operational. Frequency: once Responsibility: UNDP staff Risk: Low interest of respective project beneficiaries
	4.8 # of developed Ecosystem Valorization Methodology and Tool		0	2024	0	0	0	1	1	Collection method: Methodology and tool developed and operational. Frequency: once Responsibility: UNDP staff Risk: : Low commitment of stakeholders
	4.9 # of people trained in using ecosystem service valuation tools and integrating them into development plans (stakeholders and policymakers)		0	2024	0	0	0	40	40	Collection method: Methodology and tool developed and operational. Frequency: twice Responsibility: UNDP staff Risk: : Low interest and commitment of stakeholders and policymakers
	4.10 # of reports with recommendations for integrating Ecosystem Valorization into Development Plans		0	2024	0	0	0	1	1	Collection method: Report with recommendations Frequency: once Responsibility: UNDP staff Risk: : Low interest of respective project beneficiaries
	4.11 # of developed platforms for ongoing collaboration between project stakeholders, including government agencies, NGOs, and local communities, to facilitate knowledge exchange and joint decision-making		0	2024	0	0	0	1	1	Collection method: Report with recommendations Frequency: once Responsibility: UNDP staff Risk: : Low interest of respective project beneficiaries

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EXPECTED OUTPUTS	OUTPUT INDICATORS ²⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
Output 5 Dialogue and Communication campaigns to raise awareness about importance of the NbS	5.1 # of implemented campaigns and stakeholder dialogues	Project report	0	2021		1		1	2	Collection method: Attendance lists, questionnaires, press clippings Frequency: annually Responsibility: UNDP staff Risk: Low interest of media for biodiversity

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.		
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.		
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	continuously	Relevant lessons are captured by the project team and used to inform management decisions.		
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Initially, at least once during implementation and when closing	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	When needed, at least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.		
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)			
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year	When needed (ad hoc) and at least annually"	Any quality concerns or slower than expected progress should be discussed by the project board and		

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Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
	Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.		management actions agreed to address the issues identified.		

Evaluation Plan²⁸

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNSDCF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
Mid-Term Evaluation		4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods 4.2 Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions	OUTCOME 1.2 NATURAL AND CULTURAL RESOURCES ARE MANAGED IN A SUSTAINABLE WAY	10 December 2024	Relevant Ministries (e.g., Ministry of Agriculture, Forestry and Water Management- Republic Directorate for Water) and national institutions (e.g., protected areas managers, Agency for Environmental Protection of the Republic of Serbia, National Academy of Public Administration), Institute for Biological Research	5,000

²⁸ Optional, if needed

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					“Siniša Stanković”, CSOs	
„Final Evaluation		4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods 4.2 Public and private investment mechanisms mobilized for biodiversity, water, oceans, and climate solutions	OUTCOME 1.2 NATURAL AND CULTURAL RESOURCES ARE MANAGED IN A SUSTAINABLE WAY	1 November 2026	Relevant Ministries (e.g., Ministry of Agriculture, Forestry and Water Management- Republic Directorate for Water) and national institutions (e.g. protected areas managers, Agency for Environmental Protection of the Republic of Serbia, National Academy of Public Administration), Institute for Biological Research “Siniša Stanković”, CSOs	7,000

VII. MULTI-YEAR WORK PLAN ²⁹³⁰

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year (USD)				RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3	Y4			Funding Source	Budget Description
Output 1: Synergy between nature-water-climate strengthened in regulatory and strategic framework Gender marker: GEN1	1.1 Development of legislation following nature-water-climate synergy (contributing to implementation of Pillar 4 of the Green Agenda in Serbia „Protecting and investing in biodiversity and ecosystems“)	6,000.00	20,000.00	12,000.00	10,000.00	UNDP	SIDA	71200 International Consultants	48,000.00
		10,000.00	29,800.00	17,800.00	3,900.00	UNDP		71300 Local Consultants	61,500.00
		5,000.00	2,000.00	5,000.00	1,000.00	UNDP		71400 Contractual services - Individuals	13,000.00
	1.2 Strengthening capacities of representatives of competent institutions to mainstream nature-water-climate synergy into implementation of policies (contributing to implementation of Pillar 4 of the Green Agenda in Serbia „Protecting and investing in biodiversity and ecosystems“)	10,000.00	200.00	-	-	UNEP	SIDA	71300 Local Consultants	10,200.00
		10,000.00	-	-	-	UNEP		75700 Training services and workshops	10,000.00
		2,000.00	3,000.00	2,000.00	1,000.00	UNEP		71600 Travel	8,000.00
		-	19,800.00	20,000.00	12,000.00	UNEP		71810 - Long Term Contractual Service Cost - Individual Implementing Partners	51,800.00
		10,000.00	10,000.00	5,000.00	5,000.00	UNDP		71400 Contractual services – Individuals	30,000.00
	Sub-Total for Output 1								232,500.00

²⁹ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

³⁰ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

Output 2: Capacities on sustainable and participative management of protected areas and the water-related ecosystems are increased, as well as the capacities on Nature based Solutions (NbS) and gender-sensitive, climate adaptation planning Gender marker: GEN2	2.1 Assessments of protected area's role in achieving climate change adaptation and mitigation goals	5,000.00	100.00	-	-	UNEP	SIDA	71300 Local Consultants	5,100.00
		-	4,900.00	-	-	UNDP		71810 - Long Term Contractual Service Cost - Individual Implementing Partners	4,900.00
	2.2 Strengthening the capacities of stakeholders for improved management of protected areas (contributing to implementation of Pillar 4 of the Green Agenda in Serbia "Protecting and investing in biodiversity and ecosystems")	2,000.00	6,200.00	6,200.00	-	UNDP		71200 International Consultants	14,400.00
		8,900.00	500.00	-	1,700.00	UNDP/UNEP		71300 Local Consultants	11,100.00
		-	9,000.00	-	-	UNEP		71810 - Long Term Contractual Service Cost - Individual Implementing Partners	9,000.00
		7,000.00	8,000.00	7,000.00	-	UNDP/UNEP		75700 Training services and workshops	22,000.00
		6,000.00	6,000.00	6,000.00	6,000.00	UNDP		71400 Contractual services - Individuals	24,000.00
	2.3 Improving data, monitoring and reporting on nature, biodiversity and ecosystems	10,000.00	200.00	-	-	UNDP	SIDA	71300 Local Consultants	10,200.00
		-	16,800.00	800.00	-	UNDP		71200 International Consultants	17,600.00
		20,000.00	20,000.00	42,000.00	-	UNDP		72100 Contract Companies	82,000.00
		8,000.00	8,000.00	10,000.00	5,000.00	UNDP		71400 Contractual services – Individuals	31,000.00
		5,000.00	10,000.00	9,000.00	4,000.00	UNDP		72200-Comm & Equipment	28,000.00
	2.4 Preparation of National wetland inventory and Wetland Restoration Action Plan	-	30,000.00	48,000.00	-	UNDP	SIDA	72100 Contract Companies	78,000.00
		-	6,850.00	4,000.00	-	UNEP		71810 - Long Term Contractual Service Cost - Individual Implementing Partners	10,850.00

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		6,000.00	150.00	-	-	UNEP		71300 Local Consultants	6,150.00
	Sub-Total for Output 2								354,300.00
Output 3: Nature based Solutions (NbS) implemented in pilot site Gender marker: GEN1	3.1 Identification of pilot sites with high potential for climate adaptation through implementation of NbS (through stakeholder dialogue and by applying appropriate methodology).	10,000.00	200.00	-	-	UNEP	SIDA	71300 Local Consultants	10,200.00
		5,000.00	-	-	-	UNEP		72100 Contract Companies	5,000.00
		-	24,800.00	8,000.00	9,000.00	UNEP		71810 - Long Term Contractual Service Cost - Individual Implementing Partners	41,800.00
		2,500.00	2,500.00	1,500.00	1,400.00	UNEP		71400 Contractual services - Individuals	7,900.00
	3.2 Implementation of the Challenge call for proposals for Nature based Solution	3,000.00	19,900.00	8000	3000	UNDP	SIDA	71300 Local Consultants	33,900.00
		0	0	267,000.00	267,000.00	UNDP		72600 Grants	534,000.00
		5,000.00	11,385.89	8,385.89	-	UNDP		71600 Travel	24,771.77
		0.00	2,400.00	2,400.00	-	UNDP		75700 Training services and workshops	4,800.00
		5,000.00	21,785.81	27,000.00	27,000.00	UNDP		71400 Contractual services - Individuals	80,785.81
	3.3 Assessment of sites with high protentional for implementation of NbS	-	7,000.00	5,900.00	-	UNDP	SIDA	71300 Local Consultants	12,900.00
	Sub-Total for Output 3								756,057.58
Output 4: Additional financing identified for ecosystem restoration to increase the gender-sensitivity and climate resilience of floodplains and related ecosystem services	4.1 Preparation the national nature/biodiversity/ecosystem financing plan	-	8,000.00	20,000.00	10,000.00	UNDP	SIDA	71200 International Consultants	38,000.00
		-	5,000.00	5,000.00	3,500.00	UNDP		71300 Local Consultants	13,500.00
		-	5,000.00	5,000.00	5,000.00	UNDP		71400 Contractual services - Individuals	15,000.00
	4.2 Design of the financing mechanism to support	-	3,000.00	4,000.00	-	UNDP	Sida	71200 International Consultants	7,000.00

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Gender marker: GEN2	nature/biodiversity/ecosystem investments (e.g. investments into NbS and ecosystem maintenance/restoration)	-	5,000.00	5,500.00	-	UNDP		71300 Local Consultants	10,500.00
		-	2,000.00	2,000.00	2,000.00	UNDP		71400 Contractual services - Individuals	6,000.00
	4.3 Development of a road map for gender mainstreaming in nature, water, and climate policies	-	-	-	-	UNEP	Sida	71300 Local Consultants	-
		-	8,000.00	-	-			71810 - Long Term Contractual Service Cost - Individual Implementing Partners	8,000.00
	4.4 Strengthening capacities of competent authorities on gender-responsive budgeting for monitoring national spending of nature protection and climate change related funding	-	-	5,000.00	5,000.00	UNEP	SIDA	71200 International Consultants	10,000.00
		-	-	-	-	UNEP		71300 Local Consultants	-
		-	-	-	-	UNEP		75700 Training services and workshops	-
		-	4,000.00	7,000.00	4,500.00	UNEP		71810 - Long Term Contractual Service Cost - Individual Implementing Partners	15,500.00
		-	3,000.00	3,000.00	2,000.00	UNEP		71400 Contractual services - Individuals	8,000.00
	4.5 Comprehensive Assessment of Ecosystem Services	-	-	10,000.00	5,000.00	UNDP	SIDA	71200 International Consultants	15,000.00
		-	-	9,000.00	2,000.00			71300 Local Consultants	11,000.00
		-	-	1,000.00	0.00			75700 Training services and workshops	1,000.00
		-	-	2,000.00	0.00			71600 Travel	2,000.00
		-	-	35,000.00	48,000.00			72100 Contract Companies	83,000.00
		-	-	1,000.00	1,000.00			74200 - Audio Visual & Print Prod. Costs	2,000.00

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		-	-	11,000.00	13,000.00			71400 Contractual services - Individuals	24,000.00
	4.6 Create Basis for Integration of Ecosystem Service Valorization into Development Planning	-	-	7,000.00	10,000.00	UNDP	SIDA	71300 Local Consultants	17,000.00
		-	-	1,000.00	2,000.00			75700 Training services and workshops	3,000.00
		-	-	2,500.00	6,500.00			71200 International Consultants	9,000.00
		-	-	10,000.00	17,000.00			72100 Contract Companies	27,000.00
		-	-	5,000.00	6,000.00			71400 Contractual services - Individuals	11,000.00
	4.7 Enhanced Collaboration and Knowledge Sharing Through Established Collaborative Platforms and Knowledge Dissemination	-	-	0.00	2,500.00	UNDP	SIDA	71300 Local Consultants	2,500.00
		-	-	15,000.00	22,000.00			72100 Contract Companies	37,000.00
		-	-	0.00	7,015.38			75700 Training services and workshops	7,015.38
		-	-	1,000.00	1,100.00			74200 - Audio Visual & Print Prod. Costs	2,100.00
-		-	0.00	6,000.00	71400 Contractual services - Individuals			6,000.00	
Sub-Total for Output 4									391,115.38
Output 5: Awareness about the importance of the NbS improved Gender marker: GEN1	5.1 Development of project communication plan	5,000.00	5,000.00	6,000.00	5,000.00	UNDP	SIDA	71300 Local Consultants	21,000.00
		5,000.00	5,000.00	5,000.00	5,000.00	UNDP		71400 Contractual services - Individuals	20,000.00
	5.2 Implementation of project communication plan focusing on public campaigns and dialogues on nature-water-climate	10,000.00	8,000.00	8,000.00	6,000.00	UNDP	SIDA	72100 Contract Companies	32,000.00
		5,000.00	5,000.00	5,000.00	4,000.00	UNDP		71400 Contractual services – Individuals	19,000.00

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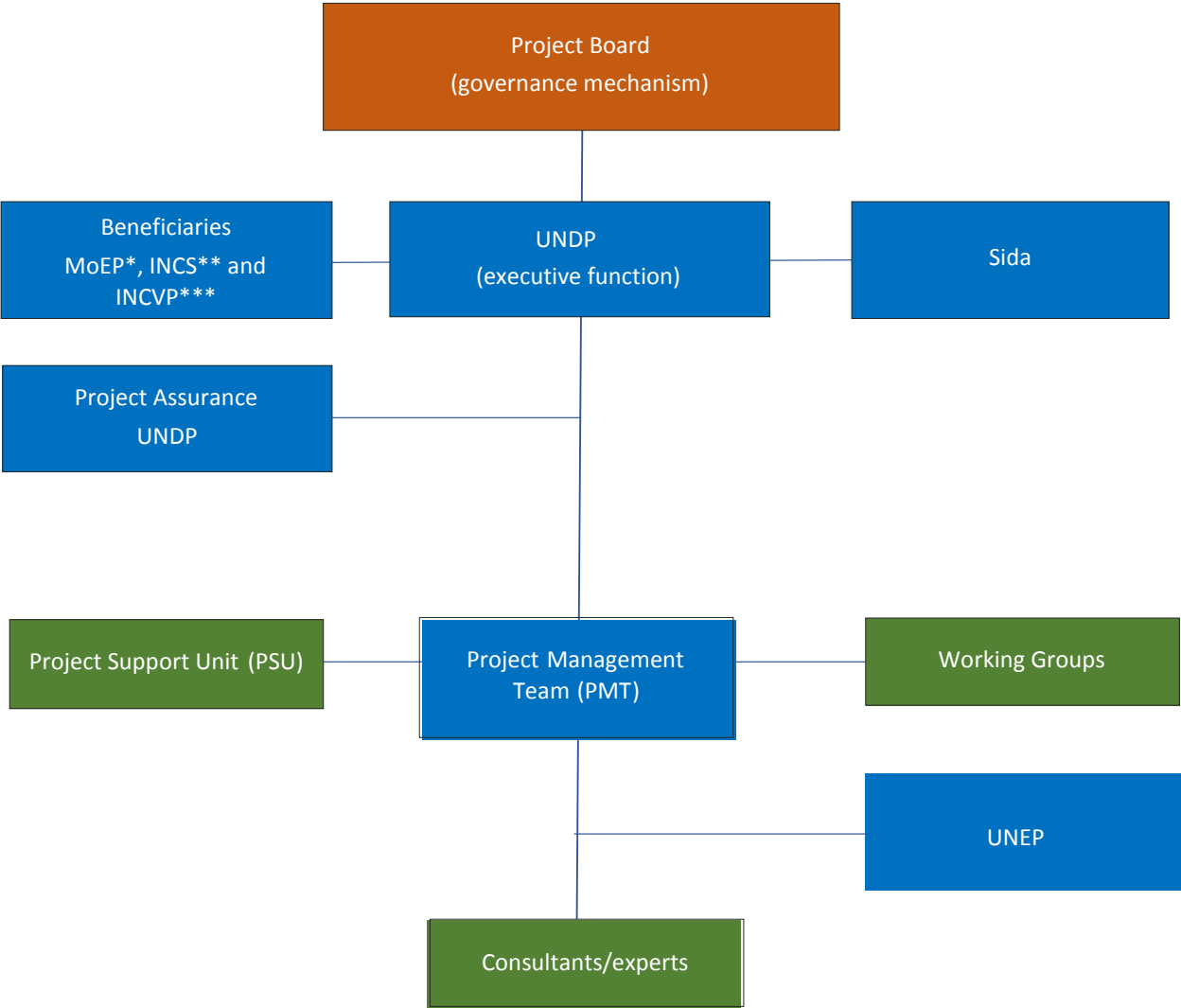
	synergy from a vulnerable groups perspective	5,000.00	10,000.00	10,000.00	5,552.84	UNDP		74200 - Audio Visual & Print Prod. Costs	30,552.84
	Sub-Total for Output 5								122,552.84
Evaluation <i>(as relevant)</i>	Monitoring & evaluation			12,000.00		UNDP	SIDA	71300 Local Consultants	12,000.00
									1,868,525.80
Project management	General Management Support					UNDP	SIDA	64300 staff 75100 General Management Services (GMS)	74,741.03 155,461.35
TOTAL									2,098,728.18

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

UNDP and the Government of Sweden represented by Sida will sign the Financing Agreement that will define the mutual roles and responsibilities vis-à-vis the implementation of this project. This Project Document (ProDoc) will be integral part (annexed to) the Financing Agreement. To confirm full national ownership over the project activities and expected results, UNDP will sign the Project Document with the Ministry of Environmental Protection. The project will also be confirmed by the UNDP- Serbian Government council according to procedures. In the Agreement between UNDP-Sweden a detailed budget will also be annexed. The project governance and functional organizational structure is presented below:

Figure 3. Project Organization Chart

*Ministry of Environmental Protection ** Institute for Nature Conservation of Serbia (INCS) ***Institute for Nature Conservation of Vojvodina Province (INCVP)



UNDP Serbia Office in Belgrade will be responsible for the implementation of the project in line with UNDP's Programme and Operations Policies and Procedures and will be accountable for the use of the funds received from Sida. UNDP Serbia Office will act as the Executive and be responsible for overall coordination, backstopping and monitoring of the project as well as for the management and delivery of assigned outputs, reporting, quality assurance, risk management and operational closure. UNDP will engage with United Nations Environment Programme (UNEP) through UN-to-UN Agreement, in order to implement project activities as identified in the multi-annual work plan.

The Project Management Team (PMT) will be responsible for the timely and quality implementation of the project. PMT will include the following positions: Project Manager (coordinator), Project Assistant and Project Administrator. Necessary support will be provided by the UNDP Office in Serbia related to expert support and communications.

The PMT will be responsible for overall project implementation, coordination with national and local authorities and institutions, universities, research institutes and CSOs. The PMT will convene and organize Project Board (PB) meetings and present project progress and results achieved in the previous period to the PB. UNDP will be responsible for technical and administrative aspects of the implementation of this Project including support to development, monitoring and evaluation of the implementation of selected applications/project proposals on other and/or dislocated locations where the services are performed. However, the final responsibility for all the activities to be undertaken by (or on behalf of) the UNDP remains fully on project manager.

The Project Board will be appointed at the beginning of the project and include three (3) members, one from each organization: the Ministry of Environmental Protection, Sida and UNDP. The PB will meet biannually and provide general guidance to the project, ensure that implementation is done according to the work plan, discuss potential synergies with other projects and initiatives and ensure that sufficient resources (human and financial) are available for effective implementation of the project. The PB will strive for reaching consensus on all important matters. To ensure UNDP's full accountability, PB decisions should be made in accordance with standards that ensure sound management for development results, best value for money, fairness, integrity, transparency and allow for international competition. In case a consensus cannot be reached within the PB, final decision shall rest with the UNDP Programme Officer and Project Manager.

The Project Board will meet regularly (at least twice a year, tentatively January and September 2023, 2024, 2025 and 2026) to review project progress, discuss and agree on project multi-year work plans.

The Project Board key roles will be as follows:

- Provide overall leadership, guidance and direction in successful delivery of outputs and their contribution to outcomes under the programme;
- Be responsible for making strategic decisions by consensus, including the approval of substantive project changes (i.e., changes in the project document);
- Approve the work plans, reviews and other reports as needed;
- Review the progress achieved, management risks, and other relevant issues;
- Address any relevant project issues as raised by the project manager and authorize any deviation from agreed work plans;
- Provide guidance on new project risks and agree on possible countermeasures and management actions to address specific risks.
- Approval of each tranche of PBP agreements, pending the fulfilment of the milestones defined for each signatory of the PBP Agreements;
- Ensuring close co-operation among the institutions involved;
- Coordinating with other projects related to this field and with other relevant donors' projects to promote synergies and integration;
- Take stock on financial flow and use of resources complementing formal financial reporting.

Executive role will be performed by UNDP, who shall have a decisive power if the opinions of development partners and beneficiary representatives do not reach compromise. Amendments to the Financial Agreement between UNDP and Sweden is governed by the provisions in the Agreement.

Beneficiary role will be performed by representatives of the Ministry for Environmental Protection (policy and decision-making level) and by representatives of the Institute for Nature Conservation of Serbia and the Institute for Nature Conservation of Vojvodina Province (expert level).

The project will be managed by a **Project Manager/Coordinator** on behalf of the Implementing Partner. He/she is responsible for day-to-day management and decision-making for the project. The project manager's prime responsibility is to ensure that the project produces the results (outputs) specified in the project document to the required standard of quality and within the specified constraints of time and cost.

Project Assurance is the responsibility of each Project Board member; however, the role can be delegated. revision by UNDP.

Project Support Unit (PSU) will comprise of project beneficiaries' representatives from the Ministry of Environmental Protection, namely the Department for Nature Protection and the Department for Project Management and the Department for Climate Change, the Institute for Nature Conservation of Serbia, and the Institute for Nature Conservation of Vojvodina Province. Main role of this unit is to ensure day-to-day support related to the project implementation. It will also ensure commitment of the beneficiaries and utilize project results to feed in the process of reforms and amendments of regulatory and strategic framework as well as governance and management in nature protection sector. Similar is done through the UNDP/GEF CSUD project that supports creation of enabling policy and financing environment in Serbia for boosting innovation in the climate change mitigation and resilience.

Consultants/experts will support the policy and technical work during the project implementation, as well as support evaluation of proposals for Nature based Solution pilot site. The specialized technical knowledge, experience and sound judgement will be required. Their profiles will depend on topics which will be covered by activities identified and confirmed by the Project Board at its first meeting. The team could also include experts involved in other related projects and activities, thus enhancing synergies and broadening cooperation. Team will be supervised by the project manager. All experts will be hired according to the policies and procedures of UNDP. Also, Independent Evaluators will be engaged to perform detailed evaluation of pre-selected applications/project proposals for Nature based Solution pilot site and to prepare final evaluation report related to selection of applications for co-financing. Evaluators will be selected and supervised by the UNDP staff, in close consultations with Sida and the MoEP.

Working Groups, as appropriate, will consist of senior experts which will be engaged to provide technical assistance related to legislation development and other project deliverables (e.g., application for field research, information systems and biodiversity databases, national wetland inventory, Wetland Restoration Action Plan).

Importantly, with this project *EU for Green Agenda in Serbia: Protecting and investing in biodiversity and water for enhanced climate resilience* Sida provides co-financing to the Green Agenda by providing support to strengthening Pillar 4 "Protecting and Investing in Biodiversity and Ecosystems". The project will complement the activities of the EU for Green Agenda in Serbia with activities following this ProDoc and managed through the modalities of the financing agreement between UNDP and Sweden, represented by Sida.

For the EU for Green Agenda in Serbia project UNDP is the implementing partner under a contract with the European Delegation in the amount of 7,2 MEUR. The project started in January 2022 and has a first phase until end of 2023, and a second phase under preparation for financing by the EU Delegation.

Sweden, through the Swedish Development Agency (Sida) has engaged in the development of the Green Agenda and partnered in the project EU for Green Agenda in Serbia contributing as a member State institution with its extensive support portfolio to assist policy alignment relevant for the Green Agenda in Serbia, as well as use its role as the lead donor to enhance coordination, synergies and further leverage between its portfolio and actions supporting the Green Agenda in Serbia. Sweden, through Sida, enhances

its role in donor coordination and development of synergies with EU member states, European countries and other donors/forms of international assistance to the implementation of Green Agenda in Serbia. This takes place in a close dialogue with relevant Government offices. Sweden will mobilize Swedish expertise, as well as expertise from other member states, to help identifying opportunities promoting European Green Technologies. In the EU for Green Agenda project the European Investment Bank (EIB) has partnered to support scaling up of financing. The EIB has an agreed contract with the EU Delegation for this task.

UNDP, EIB and Sida have regular meetings to discuss the implementation of the EU for Green Agenda project and synergies with complementary projects and activities as well as strategic actions.

The EU for Green Agenda project is governed by a Steering Committee with representatives of several ministries and concerned stakeholders. Sida is already participating as an observing member. The project Steering Committee held two meetings since the project initiation. The Swiss Government, through Swiss Development Cooperation (SDC) and Swiss Economic Cooperation Office (SECO) has decided to contribute to the EU for Green Agenda project with an additional financing of \$4,9 million and \$2 million respectfully for the four-years period.

The Swiss contribution will have additional support available for pillar 4 as well, mirroring activities planned under the EU for Green Agenda in Serbia project. This means that additional support is available through Swiss contribution to improve policy and to support pilot actions (solutions selected to the Challenge call for Innovative Solutions in the field of Forrest Ecosystem Restoration and Greening). Additionally, Swiss contribution will support local climate change adaptation plans, which also may refer to pillar 4 in terms of using NbS for building local resilience to changing climate conditions. Synergies between the Swiss contribution and the Sida contribution to Pillar 4 will be established.

The complementarity of actions between the EU for Green Agenda project and the Sida contribution to pillar 4 will be ensured by the fact that members of this Project Board are also the members of the Project Steering Committee for the EU for Green Agenda in Serbia project. At the Steering Committee of the EU for Green Agenda projects the overall financing for the Green Agenda will be reflected upon and discussed.

IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date). All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by UNDP (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT

UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the [project funds]³¹ [UNDP funds received pursuant to the Project Document]³² are used to provide support to individuals or entities associated with terrorism, that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via <https://www.un.org/securitycouncil/content/un-sc-consolidated-list>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

³¹ To be used where UNDP is the Implementing Partner

³² To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner

5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies and procedures.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor, and sub-recipient:
 - a. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP’s property in such responsible party’s, subcontractor’s and sub-recipient’s custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party’s, subcontractor’s and sub-recipient’s security, and the full implementation of the security plan.
 - b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party’s, subcontractor’s and sub-recipient’s obligations under this Project Document.
 - c. Each responsible party, subcontractor and sub-recipient (each a “sub-party” and together “sub-parties”) acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the sub-parties, and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.
 - (a) In the implementation of the activities under this Project Document, each sub-party shall comply with the standards of conduct set forth in the Secretary General’s Bulletin ST/SGB/2003/13 of 9 October 2003, concerning “Special measures for protection from sexual exploitation and sexual abuse” (“SEA”).
 - (b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, each sub-party, shall not engage in any form of sexual harassment (“SH”). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with

work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

- d. In the performance of the activities under this Project Document, each sub-party shall (with respect to its own activities), and shall require from its sub-parties (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, sub-parties will and will require that their respective sub-parties will take all appropriate measures to:
 - (i) Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;
 - (ii) Offer employees and associated personnel training on prevention and response to SH and SEA, where sub-parties have not put in place its own training regarding the prevention of SH and SEA, sub-parties may use the training material available at UNDP;
 - (iii) Report and monitor allegations of SH and SEA of which any of the sub-parties have been informed or have otherwise become aware, and status thereof;
 - (iv) Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and
 - (v) Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. Each sub-party shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the relevant sub-party shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.
- e. Each sub-party shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the relevant sub-party to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.
- f. Each responsible party, subcontractor and sub-recipient will ensure that any project activities undertaken by them will be implemented in a manner consistent with the UNDP Social and Environmental Standards and shall ensure that any incidents or issues of non-compliance shall be reported to UNDP in accordance with UNDP Social and Environmental Standards.

- g. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, corruption or other financial irregularities, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption, anti-fraud and anti money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.
- h. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices (b) UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy; and (c) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- i. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- j. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud, corruption other financial irregularities with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- k. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud corruption or other financial irregularities, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud, corruption or other financial irregularities, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term “Project Document” as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- l. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- m. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- n. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled “Risk Management Standard Clauses” are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

- 1. Annex 1: Quality Assurance
- 2. Annex 2: Social and Environmental Screening Template (SEPS)
- 3. Annex 3: Detailed project budget in SIDA template