

Public and Private Finance for Development

2025 ANNUAL PROJECT REPORT

Donor: Ministry of Finance of the Slovak Republic

Victoria Belous

Ex-Minister of Finance, Vice Chair of Parliamentary Finance and Budget Committee - Moldova



The Ministry of Finance, with the support of UNDP and the Government of Slovakia, benefited from the Public Finance for Development project in the Republic of Moldova. Moldova has carried out public spending reviews in key sectors such as health and social protection, identifying resources that were reallocated towards priority services with direct impact on people's lives. This partnership stands as a true example of effective cooperation for development — one that delivers tangible and lasting results for citizens and for the European future of the Republic of Moldova.

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Country / Region:	RBEC (Western Balkans, Moldova and Uzbekistan)
Funding Partner	Ministry of Finance of the Slovak Republic
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ACRONYMS

AML/CFT	Anti-Money Laundering / Counter-Financing of Terrorism
AWP	Annual Working Plan
BIH	Bosnia and Herzegovina
CB	Capacity Building
CO	UNDP Country Office
EPR	Economic Reform Programme
EU	European Union
IMF	International Monetary Fund
IRH	Istanbul Regional Hub
LSG	Local Self Government
MF	Ministry of Finance
MFSR	Ministry of Finance of the Slovak Republic
NDS	National Development Strategy
ODA	Official Development Assistance
PB	Project Board
PER	Public Expenditure Reviews
PFD	Public Finance for Development
PFM	Public Finance Management
PPFD	Public and Private Finance for Development Project
PSE	Private Sector Engagement
PUC	Public Utility Company
RMF	Resource Mobilization Facility
RPD	Regional Programme Document
SAIDC	Slovak Agency for International Development Cooperation
SAI / SAO	Supreme Audit Institution / Supreme Audit Office
SDGi	Investing in SDGs / component of PPFD project
SDGs	Sustainable Development Goals
SEPA	Single Euro Payments Area
TIWB	Tax Inspectors without Borders
ToT	Training of Trainers
UNDP	United Nations Development Programme

I. EXECUTIVE SUMMARY

The [Public and Private Finance for Development project](#) 2024–2029 (PPFD) is a partnership initiative between the Ministry of Finance of the Slovak Republic (MFSR) and UNDP. Building on earlier partnership projects, implementation began on 1 May 2024 and will continue until June 2029. The project supports the development of transparent and sustainable finance ecosystems in partner countries to strengthen financing for the SDGs by advancing policy frameworks and financing architectures that address development challenges, promote greener economies, and strengthen public finance management and SDG-oriented investment.

Context and key developments of the project

In 2025, the PPFD Project Board (PB) **approved nine additional sub-projects**, following five approvals in 2024. This ensured full coverage of the two PPFD components, Public Finance for Development (PFD) and Investing in SDGs (SDGi), across partner countries: Bosnia and Herzegovina, Moldova, Montenegro, North Macedonia, Uzbekistan and Serbia. Albania also joined through two newly approved regional projects.

For the first time in the Slovak–UNDP partnership, **two regional initiatives** were launched: *Smart Finance for Accountable Local Governance* (under PFD component) and *Cybersecurity for a Resilient Digital Future* (under SDGi component). Given generally stable country contexts and strong reform momentum, particularly in the Western Balkans and Moldova in relation to EU accession, implementation proceeded largely as planned and all PPFD-financed sub-projects began implementation.

Progress against outputs and outcomes

As defined in the PPFD Project Document, *the project aims to ensure that Slovakia has a range of tools and resources to strengthen the development of transparent and sustainable finance ecosystems in partner countries for stronger SDG financing*. These objectives are achieved through **national-level** implementation delivered by UNDP Country Offices (UNDP COs), and through regional delivery support by UNDP IRH.

Output 1 - Public Finance for Development Programme (PFD)

In **Bosnia and Herzegovina**, the project supported 10 municipalities through assessments of municipal asset management systems and preparatory analyses to guide improvements in Financial Management and Control and green and gender-responsive public procurement. In **Moldova**, SDG budgeting support enabled the reallocation of 2.19 billion MDL (USD 130.5 million) to priority sectors, while tax policy analysis strengthened domestic resource mobilization and EU-aligned reforms. In **Montenegro**, significant progress was made in regulatory impact assessment and public finance modernization, highlighted by the certification of 27 RIA trainers and the allocation of EUR 120,000 as co-financing from the government. Fintech reforms advanced with the adoption of *Single Euro Payments Area* (SEPA) standards, enhanced alignment with *Anti-Money Laundering / Counter-Financing of Terrorism* (AML/CFT) requirements, and the development of a draft Law on Crypto Assets. In **North Macedonia**, modernization of audit practices and the application of digital tools contributed to improved revenue forecasting, strengthen compliance, enhanced public procurement oversight, and more effective monitoring of the National Development Strategy/SDG implementation. In **Uzbekistan**, the project strengthened the capacities of 160+ officials to apply SDG-aligned, green and programme-based budgeting approaches. In **Serbia**, the newly approved intervention laid the groundwork to support EU acquis alignment under Chapter 16, with implementation commencing in January 2026. **Regionally**, *Smart Finance for Accountable Local Governance* initiated policy dialogue and cooperation on SDG-focused auditing and public finance oversight.

Output 2 – Investing in SDGs (SDGi)

In 2025, **Bosnia and Herzegovina** established a training and methodology framework for energy auditors, with 25 participants completing training and certification planned for early 2026. **Moldova** strengthened the investment pipeline of merged Local Public Authorities by selecting four municipalities for capacity development to prepare bankable renewable energy investments, including photovoltaic projects. **Montenegro** advanced transition of Podgorica towards EU-compliant waste management, with the city allocating USD 580,000 for a waste-to-energy feasibility study and mobilizing USD 41,000 for an educational center. In **North Macedonia**, a comprehensive cybersecurity methodology was developed to protect critical water infrastructure through pilot partnerships and targeted support. **Serbia** launched a call for geothermal projects in public buildings, selecting two proposals to advance with support under the Green Agenda initiative. **Uzbekistan** initiated preparatory steps to establish a national certification system for energy auditors to improve public building energy efficiency. **Regionally**, *Cybersecurity for a Resilient Digital Future* project established operational foundations in Albania, Bosnia and Herzegovina, Montenegro and North Macedonia to strengthen energy-sector cybersecurity through stakeholder mapping, coordination mechanisms and national engagement.

Output 3 – Knowledge management (KM)

The KM component strengthens MFSR ODA capacities in line with international standards and Aid Effectiveness principles. In 2025, MFSR staff participated in four training sessions that strengthen capacities specifically in project management and practical use of AI in daily work. They also contributed to 15 international forums and events as speakers, consultants or advisors, supporting the delivery of modern and updated ODA programmes.

Communication and Visibility

Communication support the project outcome by promoting knowledge sharing, raising awareness of project tools and results, and fostering stakeholder engagement, thereby facilitating the uptake of transparent and sustainable finance approaches that strengthen SDG financing in partner countries. Communication and visibility were carried out through regular updates across multiple communication channels. In 2025, the PPFD website reflected newly approved initiatives and published 13 articles, while PPFD social media channels shared more than 60 posts. Including project and partner channels, as well as beneficiaries' platforms, over 120 posts related to PFD activities were published. This represents a 71% increase in updates related to the PFD component and a 55% increase in social media content compared to the previous year. UNDP Country Offices further amplified key milestones through their platforms, while regional media coverage increased the visibility of PPFD projects.

Key challenges and risks

While implementation advanced smoothly without major operational challenges in 2025, several structural challenges require ongoing attention. **Continued institutional commitment**, particularly at the local level, remains critical for converting technical assistance into tangible reforms, especially in environments characterized by staff turnover and fiscal constraints. **Differences in institutional capacity** across partners require flexible and tailored approaches, while coordination across overlapping initiatives and reform timelines remains essential.

No **risks** identified in the project risk register materialized in 2025; however, an **emerging risk** was identified related to evolving donor financing modalities, marked by a gradual shift from traditional grant-based instruments towards blended finance approaches. Limited capacity to design,

structure, and implement blended finance schemes on both levels, national and municipal, may constrain the mobilization of follow-up investments, particularly under the SDGi component. This risk will require targeted mitigation measures, including enhanced technical assistance, intelligence support and relation management from the UNDP project teams in IRH as well as in CO level, and capacity development at the local level.

Funds utilization update of the reporting period

The approved budget for 2025 was set at USD 3,260,011.65. Subsequently, following the endorsement of nine newly submitted CO projects and the corresponding reallocation of funds, the budget was revised to USD 1,984,170.35 (most of the CO project activities will be implemented through 2026, thus corresponding funding was reallocated from 2025 to 2026). Actual expenditures for 2025 totaled USD 1,639,880.90¹.

Key lessons learned and recommendations

Key lessons from 2025 reaffirmed the importance of strong institutional ownership, proactive and transparent partner engagement, clear communication, and flexible implementation supported by structured coordination mechanisms. **Recommendations** focus on maintaining strong commitment at senior levels, embedding tools and methodologies within national frameworks, enhancing inter-ministerial coordination, and advancing targeted capacity development to integrate Sustainable Development Goal (SDG) and environmental priorities into national planning and budgeting processes.

¹ The 2025 year-end closing process has not been finalized yet and 2025 expenditures are reported here as of February 17, 2026.

II. INTRODUCTION

The implementation of the *Public and Private Finance for Development* (PPFD) project commenced on 1 July 2024. Building on results and experience from previous partnerships with the MFSR, the project supports partner countries in strengthening public policies and financing architectures to address development challenges, advance greener economies, improve public finance management, and mobilize stronger investments for the SDGs.

The project is implemented through three interconnected outputs, addressing policy reform, investment readiness, and institutional capacity development. Cross-cutting priorities, leaving no one behind and climate protection, are fully integrated across all activities.

➤ **Output 1: Public Finance for Development Programme (PFD Programme)**

The PFD Programme strengthens public finance ecosystems in partner countries by improving efficiency, transparency, and inclusiveness, and aligning public financial management systems with national development priorities, SDGs, and EU requirements, while promoting gender equality where relevant.

➤ **Output 2: Investing in SDGs (SDGi)**

The SDGi component focuses on enabling the mobilization of external financing, particularly private finance, knowledge, expertise, and technologies, to support SDG achievement. Priority areas include green and clean energy, energy efficiency, waste management, digitalization and smart cities, water, innovation, and infrastructure.

➤ **Output 3: Knowledge management (KM)**

This component strengthens the institutional and individual capacities of MFSR and its ODA partners to design and implement development cooperation programmes in line with international standards and Aid Effectiveness principles.

The project is **fully funded by the Ministry of Finance of the Slovak Republic**, which also provides expertise as a key resource. **UNDP is fully responsible for implementation** through the Istanbul Regional Hub and UNDP Country Offices.

Monitoring and evaluation are conducted in line with UNDP programming policies and procedures, including performance monitoring, risk management, annual quality assurance, Project Board oversight, and planned mid-term and final evaluations.

III. PROGRESS REVIEW: KEY ACTIVITIES AND RESULTS OF THE PROJECT

Section 1: Analysis of theory of change

An assessment of implementation progress, sub-project performance, and the evolving external context indicates that the Project Theory of Change remains robust. The causal linkages between planned interventions, outputs, and intended outcomes continue to hold, and the underlying assumptions have not been adversely affected by global or contextual developments during the reporting period. Consequently, no adjustments to the Project design or strategic approach were required, and the original Theory of Change remains valid and relevant.

Section 2: Overall progress against outcomes

In line with the Project Document, the PPF Project contributes to the UNDP [Regional programme document for Europe and the Commonwealth of Independent States \(2022-2025\)](#), under the outcome *Structural transformation accelerated, particularly green, inclusive, and digital transition*. The Project supports this outcome by strengthening public finance management systems and mobilizing private sector resources to advance sustainable development priorities.

In 2025, implementation under both the PFD and SDGi components progressed across all partner countries, reinforcing institutional capacity for efficient, transparent, and accountable use of public resources. Complementary investments supported under the SDGi component contributed to the future mobilization of private and public capital for targeted development challenges. Two regional initiatives further enhanced regional cooperation and policy dialogue, particularly in the areas of cybersecurity, anti-corruption, and transparency in public finance.

Section 3: Monitoring and Evaluation

Project implementation in 2025 was monitored in line with the Monitoring Plan set out in the approved Project Document. Monitoring focused on tracking progress against planned activities and outputs across all UNDP COs, implemented sub-projects and overall PPF activities, supported by regular coordination meetings with UNDP CO project managers and technical experts.

Monitoring activities included participation in key events, review and validation of deliverables, collection of participant feedback, and systematic comparison of results against approved workplans. This approach enabled timely identification of implementation issues and informed adaptive management where required. Oversight was provided jointly by the IRH PPF project team and UNDP Country Offices.

During 2025, three PPF Project Board meetings were convened online to review and approve new project proposals and revised multi-year workplans. Risk monitoring was conducted on a quarterly basis and updated accordingly.

Section 4: Progress against each output

Project Output 1: Public Finance for Development Programme (PFD)

The Public Finance for Development Programme strengthens public finance ecosystems in partner countries by promoting efficiency, transparency, and inclusiveness. It supports the alignment of public finance management (PFM) systems with national development priorities, the SDGs, and EU requirements, tailored to country-specific contexts. Implementation is primarily delivered through projects implemented by UNDP COs. A full list of projects approved for 2024–2025 is provided in **Annex II: Updated Risk Log**

Description	Date Identified	Type	Impact & Probability	Counter-measures / Mngt response	Owner	Last Update	Status
1. Changing political priorities of partners	July 2024	Political	Unexpected political developments in partner countries or global developments (e.g. war, pandemic) may cause changes in the (new) government's priorities. These can have an impact on activities that are already being implemented, either by cancelling them, temporarily cancelling them, or delaying their implementation. Likelihood = 3 Impact = 5 Risk level: Substantial	Monitor political developments and assess their impact on the project results / timely response to changes, changes or modifications of implementation plans	Project manager, UNDP COs, Project Board	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
2. Lack of commitments (government and/ middle management at partner institutions) to public finance reforms and to project initiatives	July 2024	Political	Lack of commitments (government or middle management at partner institutions) to public finance reforms and to project initiatives Likelihood = 2 Impact = 4 Risk level: Moderate	Political	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
3. Duplication with other initiatives	July 2024	Strategic	Duplication of activities results in inefficient use of resources Likelihood = 1 Impact = 2	Needs assessments, participation on donor coordination meetings,	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and,

			Risk Level: Low	harmonization with other donors			as a result, had no impact on project implementation.
4. Lack of experts with relevant expertise and/or capacities	July 2024	Operational	Number and availability of experts with required experience may not be sufficient Likelihood: 2 Impact: 4 Risk Level: Moderate	In order to mitigate this risk, the timing of expertise needs must be set correctly in accordance with the time capacities of experts; the active relations management and communication with experts, including the UNDP expert roster, must be implemented; and existing networks with Slovak and international experts and companies must be fully utilized	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
5. Limited interest from Slovak private companies to participate in the project; limited outreach to companies in beneficiary countries	July 2024	Strategic	Lack of interest and expertise reduces participation of Slovak private sector in development cooperation Likelihood: 2 Impact: 3 Risk level: Moderate	Existing networks engaging with Slovak companies will be fully used to mitigate this risk	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
6. Limited Capacity for Blended Finance Implementation	November 2025	Operational	Limited national as well as municipal Capacity for Blended Finance Implementation does not have a direct impact on the implementation of the PPF project ; however, it may limit the ability of beneficiaries, particularly municipalities, to implement follow-up investments expected to build on the support provided under the PPF/SDGi component. Likelihood = 3 Impact = 4 Risk level: Substantial	Integration of targeted municipal capacity-building on blended finance from the project design phase to ensure effective mobilization of follow-up investments	Project manager, UNDP COs	31 December 2025	**As the preparatory phase of future investment projects has not yet been completed, the risk has not materialized; however, there are strong indications that it may emerge.**

Annex III: Multi Year Work Plan (Financial overview)

PROJECT COMPONENTS/OUTPUTS	PLANNED ACTIVITIES	PPFD project budget 2024-2029						Total Amount	Responsible Party	Funding Source	Budget Description
		2024 Expenses	2025 Expenses* (17-Feb 2026)	2026 Budget (revised Feb 2026)	2027 Budget (revised Feb 2026)	2028 Budget (initial)	2029 Budget (initial)				
Component 1: Public Finance for Development	1.1 Needs assessment, monitoring, coordination	6,374.34	13,743.79	19,881.87	50,000.00	50,000.00	20,000.00	160,000.00	IRH	MFSR	Travel Consultants
	1.2 PFM Support to UNDP COs	26,620.15	9,000.63	60,317.81	1,340,000.00	1,400,000.00	500,000.00	3,335,938.59	IRH/UNDP COs	MFSR	Int'l/Ntl Consultants Company services
	1.2.1_Moldova PFM	8,439.17	136,051.49	305,509.34	-	-	-	450,000.00	MLD CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.2_Montenegro PFM	9,086.21	260,157.13	530,756.66	-	-	-	800,000.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.3_Uzbekistan PFM	-	241,448.03	238,551.97	-	-	-	480,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.4_Serbia PFM	-	1,967.62	361,722.38	-	-	-	363,690.00	SRB CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.5_N.Macedonia PFM	6,052.86	259,097.18	234,469.17	70,380.79	-	-	570,000.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.6_Bosnia & Herzegovina PFM	-	182,112.56	304,038.44	-	-	-	486,151.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	1.3 Knowledge sharing, promotion & visibility	1,068.55	5,071.73	18,859.72	30,000.00	30,000.00	15,000.00	100,000.00	IRH	MFSR	Audio/Visual production
	1.4 Project Management and office costs	91,577.67	246,991.19	461,431.14	320,000.00	320,000.00	160,000.00	1,600,000.00	IRH	MFSR	Programme Specialist, Programme Associate, PS
	1.5 IRH_Smart Finance for LG (Regional, IRH)	-	13,524.33	113,049.67	39,742.00	-	-	166,316.00	IRH	MFSR	Int'l/Ntl Consultants Company services
1.5 MKD_Smart Finance for LG (Regional, N.Macedonia)	-	4,090.17	252,880.83	269,913.00	-	-	526,884.00	MKD CO	MFSR	Int'l/Ntl Consultants, Company services, Trainings	
Sub-Total for Component 1 (including GMS)		149,218.95	1,373,255.85	2,901,469.00	2,120,035.79	1,800,000.00	695,000.00	9,038,979.59			
Component 2: Investing in SDGs	2.1 Needs assessment, monitoring, coordination	819.98	9,030.09	10,149.93	20,000.00	20,000.00	10,000.00	70,000.00	IRH	MFSR	Travel Consultants
	2.2 UNDP COs projects support (general)	-	1,298.43	9,765.57	501,680.00	800,000.00	160,000.00	1,472,744.00	IRH/UNDP COs	MFSR	Int'l/Ntl Consultants Company services
	2.2.1_Bosnia&Herzegovina SDGi	-	34,661.29	165,338.71	-	-	-	200,000.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.2_Montenegro SDGi	-	49,786.35	149,149.65	-	-	-	198,936.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.3_Uzbekistan SDGi	-	2,254.65	197,745.35	-	-	-	200,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.4_Serbia SDGi	-	7,789.33	167,170.67	25,040.00	-	-	200,000.00	SRB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.5_N.Macedonia-SDGi support	-	65,765.74	134,234.26	-	-	-	200,000.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.6_Moldova-SDGi support	-	7,296.76	192,703.24	-	-	-	200,000.00	MLD CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_IRH_Cyber Security (Regional,IRH)	-	56,463.90	166,856.10	-	-	-	223,320.00	IRH	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_ALB_Cyber Security (Regional,Albania CO)	-	-	33,750.00	-	-	-	33,750.00	ALB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_BIH_Cyber Security (Regional,BIH CO)	-	-	33,750.00	-	-	-	33,750.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_MNE_Cyber Security (Regional,Montenegro CO)	-	1,933.96	31,816.04	-	-	-	33,750.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_MKD_Cyber Security (Regional,N.Macedonia CO)	-	6,616.76	27,133.24	-	-	-	33,750.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
2.2.8_Uzbekistan_Horticulture & Water systems	-	-	158,240.00	61,760.00	-	-	220,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services	
Sub-Total for Component 2 (including GMS)		819.98	242,897.26	1,477,802.76	608,480.00	820,000.00	170,000.00	3,320,000.00			
Component 3: Knowledge Management	3.1 MFSR capacity development	7,609.42	17,959.77	44,430.81	30,000.00	30,000.00	10,000.00	140,000.00	IRH	MFSR	Travel Learning costs
	3.2 Capacity development events and workshops	-	5,768.02	64,231.98	30,000.00	30,000.00	10,000.00	140,000.00	IRH	MFSR	Travel Learning costs
	3.3 MFSR financial tools assessment	-	-	40,000.00	20,000.00	20,000.00	10,000.00	90,000.00	IRH	MFSR	Travel Consultants
	3.4 PPFD mid-term & final project evaluation	-	-	20,000.00	20,000.00	-	40,000.00	80,000.00	IRH	MFSR	Travel Consultants
Sub-Total for Component 3 (including GMS)		7,609.42	23,727.79	168,662.79	100,000.00	80,000.00	70,000.00	450,000.00			
TOTAL PPFD		157,648.35	1,639,880.90	4,547,934.55	2,828,515.79	2,700,000.00	935,000.00	12,808,979.59	-	-	-

*as per AAA report dated 17 February 2026

12,375,000.00 PPFD 2024+ project budget (as per ProDoc)

433,979.59 Leftover from the previous project phase (2017- June 2024)

12,808,979.59 PPFD Total project budget incl. leftover

Annex IV: Overview of PFD and SDGi projects and funding approved in 2024-2025.

Output indicators	Baseline and targets	Progress against targets For more details see country-based reports bellow or Annex I : Progress Review: detailed matrix of activities and results
1.1 Number of country specific public finance initiatives (policies, regulatory and institutional frameworks) developed by project for partner governments² <i>2024 PPFD project document indicators are set as following:</i> Baseline 2024:0 Final target in 2029: 44	Baseline (2025): 0 AWP target 2025:10	Reporting period 2025: 24 Cumulative total (2024-2025): 24
1.2 Number of country specific public finance policies, regulations adopted by partner governments³ <i>2024 PPFD project document indicators are set as following:</i> Baseline 2024:0 Final target in 2029: 8	Baseline (2025): 0 AWP target 2025: 2	Reporting period 2025: 8 Cumulative total (2024-2025): 8

Financial budget utilization

Output	2025* Expenses
Output 1 - PFD	1,373,255.85 USD

*As of February 17, 2026

² Indicator 1.1 tracks all significant documents produced by the project, excluding smaller documents that serve as foundations for the creation of more comprehensive reports.

³ Indicator 1.2 tracks only those documents that have been adopted and put into use by the government or any relevant institution.

Key activities and results

BOSNIA AND HERZEGOVINA: BUILDING EFFICIENT AND TRANSPARENT LOCAL PUBLIC FINANCE SYSTEM IN BOSNIA AND HERZEGOVINA (2024)

Project brief summary: The project is expected to ensure that local governments develop policy and regulatory frameworks on public financial management that integrate sustainability principles into their operational practices, and that public finance policies, practices, and procedures are adopted and effectively implemented.

The project, approved in 2024, started the implementation in 2025 after completing initial administrative procedures. Despite some political and economic challenges, no events affected project activities or objectives, while the March 2024 EU decision to open accession negotiations with BiH boosted reform momentum.

Progress in output indicators for Bosnia and Herzegovina PFD project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	6	6	<ol style="list-style-type: none"> 1. Rulebook on Registration/Evidence of Assets, Srbac 2. Rulebook on Registration/Evidence of Assets, Ilijaš 3. Decision on Asset Management, Disposition, and Acquisition, Srbac 4. Decision on Asset Management, Disposition, and Acquisition, Ilijaš 5. Rulebook on Types of Own-Source Revenues and the Methods and Deadlines for Their Allocation, Prozor-Rama 6. Draft of the New Law on Public Procurement of BiH
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	4	4	<ol style="list-style-type: none"> 1. Rulebook on Registration/Evidence of Assets, Srbac 2. Rulebook on Registration/Evidence of Assets, Ilijaš 3. Decision on Asset Management, Disposition, and Acquisition, f Srbac 4. Rulebook on Types of Own-Source Revenues and the Methods and Deadlines for Their Allocation, Prozor-Rama

To enable project implementation, the selection of beneficiary municipalities was a key initial step. During the year, the project completed the transparent selection and onboarding of ten partner local governments (LGs) through a public call, ensuring balanced representation across both entities. Partnerships were established with **Velika Kladuša, Stari Grad Sarajevo, Derventa, Gacko, Laktaši, Srbac, Rudo, Ilijaš, Prozor-Rama, and Bosanska Krupa**. The project focuses on three intervention areas: asset management, financial management and control systems, and green and gender-responsive public procurement.

Intervention Area I: Asset Management

The Project completed key analytical and preparatory activities toward strengthened local public financial management **reviews of municipal revenues and expenditures** in ten partner assistance for **implementing priority recommendations**, and **Management and Control frameworks**, establishing an planned in 2026. Early results are already visible: municipal expected to mobilize BAM 3 million (over 1,8 USD) in additional improvements in own-source revenue management were confirmed both critical gaps and existing institutional developments demonstrate initial progress toward improved internal control effectiveness at the local level.



that represent an important milestone systems. These included **three-year local governments**, initial technical **diagnostic assessments of Financial evidence-based foundation for reforms leaders endorsed recommendations development funding, regulatory initiated, and FMC diagnostics foundations for reform. Together, these fiscal discipline, transparency, and**

Intervention Area II: Revenue, expenditures, and internal controls

The Project carried out field-level **analyses of Financial Management and Control systems** for all ten selected LGs, identifying key weaknesses as well as existing good practices. While implementation of reforms under this component is planned for 2026, the completed diagnostic work provides an important foundation for targeted and sequenced support. Initial results are visible in several LGs, including Srbac and Ilijaš, which progressed further in developing formal asset management regulations ahead of the planned timeline.

Intervention Area III: Green and gender responsive public procurement

Progress was also made in public procurement. A **comprehensive analysis of procurement practices** in partner LGs that was developed by the project confirmed that the application of green and gender-responsive procurement criteria remain limited, while highlighting a clear need for capacity building and practical guidance. In addition, the project provided targeted technical assistance to the Public Procurement Agency in drafting the new Law on Public Procurement, including analytical inputs aligned with EU directives, expert legal review, stakeholder consultations, and guidance on integrating green, socially responsible, and gender-responsive procurement principles. This support contributed to the development of an EU-aligned legal framework and to strengthening the enabling environment for transparent, sustainable, and EU-compliant public procurement.

MOLDOVA: PUBLIC FINANCE FOR DEVELOPMENT IN MOLDOVA (2024)

Project summary: The project is expected to ensure the alignment of public financial flows and tax and fiscal policies with the SDGs, while strengthening the institutional, regulatory, and resource mobilization capacities of the Government of Moldova to establish and sustain effective financing mechanisms for the SDGs.

The project, approved by the PPFDB in 2024, is essentially a continuation of the activities of the previous project supported by PPFDB during 2019–2024. It responds to the specific requirements of the Government of Moldova and the needs associated with public finance reform.

Progress in output indicators for Moldova PFD project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	2	2	<ol style="list-style-type: none"> Amendment of the Law on Public Finance and Budgetary-Fiscal Responsibility No. 181 Spending Review methodology
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	1	1	<ol style="list-style-type: none"> Amendment of the Law on Public Finance and Budgetary-Fiscal Responsibility No. 181

Intervention Area I: SDG budgeting

Under the **SDG [budgeting and public expenditure](#)** continued to strengthen the Government capacity to use budgeting tool. Technical support and policy dialogue application of spending review methodologies, including considerations. The MFSR has shared best practices with implementing ***spending review in social protection sector***. social sector in 2025 identified approximately 2,192,9 mil. efficiency gains and reallocation opportunities towards spending priorities and SDGs. These efforts supported making and reinforced the institutionalization of spending budgetary framework, with tangible reallocation of sectors.



[efficiency component](#), the Project **[spending reviews](#)** as a strategic contributed to the refinement and the integration of SDG and gender the MF Moldova, assisting in Spending reviews implemented in the MDL (130.5 million USD) in potential other priorities aligned with sectoral evidence-based budget decision-reviews within the medium-term inefficient expenditures toward priority

In addition, with the support of Slovak experts, a comprehensive **[expenditure review methodology](#)** was developed and later refined to enhance fiscal coherence and incorporate impact assessments related to the Sustainable Development Goals and gender equality.

The primary [Law on Public Finance and Budgetary-Fiscal Responsibility No. 181](#) has been amended, with the technical support of UNDP, to institutionalize spending reviews as a mandatory exercise for all line ministries. The amendment has been endorsed by Parliament on 29 December 2025.

Intervention Area II: Tax for SDGs

In line with the *Country Engagement Plan*, the Project strengthened fiscal policy analysis and dialogue on **health-related taxation**, tax expenditures, and domestic resource mobilization. A macro-model assessing the fiscal implications of increased tobacco taxation was developed, and a technical workshop brought together 20 representatives from key fiscal and health institutions. The assessment enables a more accurate evaluation of the fiscal impact of tobacco taxation, supporting authorities in making well-informed decisions that directly affect public health and align with the objectives of approximation to EU standards.

The Project reinforced the analytical basis for **SDG-aligned fiscal reforms**, strengthened MF leadership, and improved coordination between tax policy and development objectives. Collaboration with the OECD through the Tax Inspectors Without Borders initiative further enhanced [institutional capacity](#) to address tax avoidance and improve revenue sustainability. Progress achieved in 2025 established a solid foundation for scaling innovative financing tools and delivering remaining outputs in subsequent phases.

MONTENEGRO: STRENGTHENING TRANSPARENT AND ACCOUNTABLE PUBLIC FINANCE MANAGEMENT IN MONTENEGRO

Project summary: The project will strengthen the Montenegro public finance management system by enhancing institutional capacities, introducing modern PFM practices, reducing the informal economy, and aligning fiscal governance with EU standards and SDG commitments, thereby contributing to long-term fiscal sustainability and economic stability.

In 2025, the project delivered several results across several interconnected reform areas, strengthening evidence-based policymaking, regulatory quality, and formalization efforts in Montenegro, in line with EU accession priorities and public finance reform objectives resulted to the development of seven documents of which two were already adopted. Additionally, the Ministry of Finance of Montenegro provided **EUR 120,000 co-financing** for external expertise and system development. This unplanned contribution reflects strong national ownership and prioritization of the reform and was coordinated with UNDP without requiring a formal Project Document revision.

Progress in output indicators for Montenegro PFD project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	7	7	<ol style="list-style-type: none"> 1. Technical Specifications for Accrual Accounting Implementation in Montenegro (inception report) 2. Assessment of municipal readiness for the implementation of the Law on accounting in the public sector in Montenegro (inception report) 3. Draft Law on Crypto-Assets 4. Manual for RIA Trainers 5. Communication strategy for reducing the social acceptability of the informal economy and communication procedures with interested public 6. Annual Report on the Implementation of the Programme for the Suppression of the Informal Economy 2024–2026 7. Qualitative and quantitative analysis of the informal economy at the local level
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	2	2	<ol style="list-style-type: none"> 1. Annual Report on the Implementation of the Programme for the Suppression of the Informal Economy 2024–2026 2. Qualitative and quantitative analysis of the informal economy at the local level

Intervention Area I. Regulatory Impact and Policy Coordination



Regulatory Impact Assessment (RIA) remained a core focus, with the project developing a comprehensive **RIA Training Manual** and a Montenegro-specific **Training of Trainers programme**. Two [workshops](#) delivered in early 2025 certified 27 RIA trainers from line ministries and local governments, strengthening capacity to prepare and quality-assure RIA reports across fiscal, economic, social, environmental, and gender dimensions.

The project supported preparation of the [official English translation Report on the Quality of RIA Application for 2024](#), which assesses institutional compliance, identifies implementation gaps, and documents good practices in RIA application. The report serves as an internal policy and monitoring tool for the MF and the General Secretariat, supporting stronger horizontal coordination and improved analytical standards in law-making. In parallel, the project supported finalization, , and public consultation of the Economic Reform Programme (ERP) 2026–2028.

International knowledge exchange and **capacity building** were strengthened through a high-level study visit to Finland focused on advanced RIA system, including quality assurance mechanisms, digital tools, and early-stage policy planning practices.

Combating informal economy was supported through targeted analytical, monitoring, and communication interventions under the Programme for the Suppression of the Informal Economy 2024–2026. The project supported preparation of the **Annual [Report on the Implementation of the Action Plan of the Programme for the Suppression of the Informal Economy in Montenegro 2024-2026](#)** (for 2024), providing a structured assessment of progress across all five strategic areas, including strengthened inter-institutional coordination and improved fiscalization oversight, while identifying persistent enforcement and cooperation gaps. In addition, a [Qualitative and Quantitative Analysis of the Informal Economy on Local Level](#) was conducted in **Podgorica, Budva, and Bijelo Polje**, generating empirical evidence on informal activity, unfair competition, data inconsistencies, and local inspection capacity constraints. **Communication Strategy for reducing the social acceptability of the informal economy**, provided clear messages, target groups and channels for institutions responsible for implementation of the Programme. By introducing structured procedures for communication with the interested public, the Strategy strengthens transparency, builds public understanding of the costs of informality, and creates conditions for greater voluntary tax compliance and behaviour change.

[Intervention Area II: Macroeconomic Analyses and Fiscal Planning](#)

In 2025, the project strengthened the analytical and forecasting capacities of the **Directorate for Macroeconomic and Fiscal Analyses and Projections (DMFAP)** within the MF Montenegro, supporting improved economic forecasting, long-term planning, and evidence-based fiscal governance.

International knowledge exchange and capacity building were Institute for Financial Policy of the MFSR. The visit also **bilateral cooperation**, with follow-up expert consultations and phase.

In parallel, the project invested in **equipment and IT** analytical work. By aligning technical infrastructure with modern strengthens the analytical foundation for fiscal policymaking.

Intervention Area III: Local Government Finance

In 2025, the project strengthened municipal finance capacity building, technical support, and international knowledge exchange. The **Equalization Fund** Software and Support Fund for Pre-Financing Donor Projects were upgraded, officially launched and put into regular use by relevant institution leading to improving transparency, reliability, and timeliness of inter-municipal transfers and donor-funded project implementation. Due to the fact that the software in an internal program for MF Montenegro, no public reference exist.

Capacity-building workshops enhanced programme and [gender-responsive budgeting](#), [capital investment budgeting](#), and performance monitoring for municipal finance staff. Montenegro also participated in the regional *Smart Finance for Accountable Local Governance* initiative, promoting SDG auditing, anti-corruption, and local-level financial accountability.

A high-level [study visit to Croatia](#) supported practical learning on public sector wage systems and job classification models, informing Montenegro's draft Law on Public Sector Wages and EU Chapter 32 alignment. Activities on legal reforms and communication skills training are planned for 2026.

Intervention Area IV: Modernization of Public Sector Accounting

In 2025, the project strengthened Montenegro readiness for the **transition to accrual-based public sector accounting**. Expert support was provided for drafting project tasks and tender documentation for a public sector accounting ICT system, ensuring alignment with national legislation, international good practices, and EU accession requirements.

Functional and technical requirements were analyzed, and the **Project prepared the inception report on 1. Technical Specifications for Accrual Accounting Implementation in Montenegro** (Ind. 1.1) contractor *Exploring* developed specifications and procurement-ready documentation, reviewed by an independent Quality Assessment Expert to ensure technical robustness and compliance.

Analytical support and capacity building were provided to all 25 municipalities to assess readiness for the **implementation of the Law on accounting in the public sector in Montenegro**. Related Inception report was developed by the project (Ind. 1.1). , These interventions enhance municipal compliance, strengthen financial management, and ensure coherence between central reforms and local implementation.

Intervention Area V: Smart Finance Solutions



advanced through a [study visit](#) at the established a basis for **continued** technical support planned for the next

infrastructure upgrades to support MF forecasting standards, the project

Management

management through targeted

In 2025, Montenegro advanced its Fintech Strategy 2025–2029 by establishing a Coordination Body, convened by the MF, to guide reforms on open banking, digital identity, and consumer protection, and to anchor a gender-responsive fintech ecosystem. While the project did not directly set up the coordination body, it helped lay the groundwork through support to the Law on Crypto Assets, which aligns with EU MiCA standards.

Alignment with **SEPA - Single Euro Payments Area standards** and the adoption of the **Anti-Money Laundering and Countering the Financing of Terrorism Law** further strengthened the regulatory environment for fintech growth, ensuring compatibility with EU frameworks and enabling secure and inclusive innovation.

The MF, in partnership with UNDP, also initiated the development of Montenegro first comprehensive **Law on Crypto Assets**. This draft law aligns with the EU regulation and national obligations under EU Chapters 4 and 9, introducing legal clarity for service providers, consumer protection safeguards, and a framework for responsible innovation in digital finance.

NORTH MACEDONIA: SUPPORT TO PUBLIC FINANCE MANAGEMENT REFORM IN NORTH MACEDONIA (2024)

Project summary: The project aims to strengthen public finance management in North Macedonia in line with European standards, contributing to economic stability, sustainable growth, and greater gender equality. Key results include reduced informal economy and tax evasion, improved fiscal decentralization, and enhanced monitoring and auditing to support effective implementation of the National Development Strategy.

The project strengthened North Macedonia's PFM system by enhancing institutional capacity, modernizing audit practices, and introducing practical tools at national and local levels, contributing to improved revenue collection, reduced fiscal risks, and lower [informal economy](#). These reforms strengthened transparency, accountability, and evidence-based decision-making, supporting fiscal discipline, institutional coordination, and long-term governance reforms.

Progress in output indicators for North Macedonia PFD project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	6	6	<ol style="list-style-type: none"> 1. Handbooks for Municipalities on Monitoring Local Tax and Fee Collection - internal document 2. Guidelines for Enhancing Monitoring and Auditing for NDS Implementation 3. Report on the Informal Economy – Purpose and Benefits - internal document 4. Guide for Assessing Corruption Risks at Central and Local Levels and by Sector 5. Secondary legislation (by laws) for GMT covering the calculation and collection of the Qualified Domestic Minimum Top-up Tax, the GloBE Information Return, the Top-up Tax Return, and the payment procedures for the Qualified Domestic Top-up Tax – Official Gazette of Republic of North Macedonia no. 270, p.53 (no link available, as access to the system requires payment) 6. Strategy for Reducing Cash Flow 2026–2028 – It will be official and published after adoption. The document is still not open to the public.
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	1	1	<ol style="list-style-type: none"> 1. Secondary legislation (by laws) for GMT covering the calculation and collection of the Qualified Domestic Minimum Top-up Tax, the GloBE Information Return, the Top-up Tax Return, and the payment procedures for the Qualified Domestic Top-up Tax

Intervention Area I: Reducing the Informal economy, corruption and tax evasion



Measuring and monitoring the informal economy: The project strengthened institutional capacity to measure and monitor the informal economy across six state institutions through quantitative tools, improving revenue forecasting, compliance monitoring, and evidence-based policymaking.

Following the January 2025 adoption of the Law on Global Minimum Corporate Income Tax, and at the request of the Ministry of Finance, support was provided for the development of the related by-laws. Together with practical training in transfer pricing (8 tax inspectors), these measures improved domestic revenue mobilization, aligned national tax practices with international standards, and contributed to reducing revenue leakages.

Project support also advanced the Draft **Strategy for Reducing Cash Flow** (2026–2028), expected to improve cash management, budget predictability, and fiscal discipline upon adoption. This strategy was fully developed by the project.

Reducing corruption: In parallel, targeted **anti-corruption interventions**, including risk assessments, trainings, enhanced data-sharing, innovative audit tools, and access to six years of public procurement data, strengthened transparency, accountability, and institutional capacity to prevent corruption.

Intervention Area II: Fiscal decentralization

Monitoring local tax and fee collection: Improved audit methodologies, compliance reports, and practical handbooks for municipalities were developed through project support, enhancing the collection of own-source revenues, promoting transparency and accountability, and ensuring alignment between local and central budgets, thereby reinforcing fiscal governance at the subnational level.

Digital systems for local revenue management: The eDanoci.mk platform was developed and implemented through the project, initially piloted in **Sveti Nikole** and subsequently expanded to **Brvenica**. The platform improved efficiency in property valuation, tax collection, and integration with national systems, strengthening municipal oversight and revenue management capacities. As of December 2025, eDanoci.mk is in use in **10 municipalities: Brvenica, Vinica, Gevgelija, Gostivar, Jegunovce, Kavadarci, Radovish, Sveti Nikole, Tetovo, and Chashka**⁴. The introduction of this system aims to enhance the efficiency of the local administration, ensure more accurate and up-to-date taxpayer records, and improve the collection of own-source revenues. Currently, the implementing company is conducting property mapping and integrating data from the Agency for Real Estate Cadastre, while working closely with the municipality to determine the valuation of the registered properties.

Intervention Area III: Enhancing Monitoring and Auditing for Successful NDS Implementation

Capacity building and performance audits: The integration of cost-benefit analysis, NDS tagging, and SDG alignment into SAO audits and strategic planning strengthened evidence-based budgeting and alignment of public spending with national development priorities. These approaches are reflected in the SAO Annual Programme for work of SAO for 2026. As a result, audits moved beyond compliance to assess effectiveness and impact, enabling more strategic, forward-looking recommendations and strengthening accountability and transparency in the use of public resources.

⁴ The system in Brvenica has been just established.

Methodological and analytical support: The development of guidelines, integrated reports, and audit mapping tools embedded risk-based and evidence-driven approaches into public financial management processes. This shift enhanced the effectiveness and efficiency of audits, improved risk identification and mitigation, and strengthened transparency and accountability, contributing to better management of public resources and more tangible policy and service delivery outcomes.

SERBIA: CHAPTER 16: STRENGTHENING TAXATION IN SERBIA (2025)

The project planned result is to achieve full legal and institutional harmonization of Serbia's tax system with the EU acquis under Chapter 16, enabling closure of the taxation negotiation chapter and contributing to a modern, interoperable, EU-compliant tax system. The project reflects the specific request of the Ministry of Finance of Serbia to achieve full legal and institutional harmonization of Serbia's tax system with the EU acquis under Chapter 16, thereby enabling the closure of the taxation negotiation chapter and contributing to a modern, interoperable, EU-compliant tax system.

The project was approved by the PPF PB in November 2025, and its implementation effectively commenced in January 2026. In 2025, activities were primarily limited to administrative procedures related to the forthcoming implementation phase. As a new project, Year 1 focused on establishing analytical groundwork. Outcome-level results are expected 2026-2027.

Progress in output indicators for Serbia PFD project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	0	0	
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	0	0	

UZBEKISTAN: PUBLIC FINANCE FOR DEVELOPMENT IN UZBEKISTAN (2025)

Project summary: The project is expected to result in a transformed and strengthened legal and institutional (governance) framework that ensures the integration of the SDGs and green priorities into Uzbekistan's planning and budgeting processes.

In February 2025, the PPFDB approved the *Public Finance for Development project in Uzbekistan*. The project supports the Government of Uzbekistan in strengthening the national budgetary system through transition to SDG-aligned, green, and programme-based budgeting. Key partners and beneficiaries include the Ministry of Economy and Finance, the National Committee on **Ecology** and Climate Change of the Republic of Uzbekistan, Parliament, and local and regional authorities. In 2025, the project advanced programme-based budgeting and the integration of SDG and green priorities into strategic planning and budgeting, achieving early results.

Progress in output indicators for UZBEKISTAN PFD project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	3	3	<ol style="list-style-type: none"> 1. Report on integration of climate and green priorities into the strategic planning and budgetary process in Uzbekistan 2. Report on integration of SDGs into the strategic planning and budgetary process in Uzbekistan 3. Practical Guide on Programme-Based Budgeting in the Republic of Uzbekistan
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	0	0	

Intervention Area I: Integration of SDGs and green priorities into Strategic Planning and Public Budgeting in Uzbekistan

Two analytical papers with recommendations on SDG - **Report on integration of SDGs into the strategic planning and budgetary process in Uzbekistan**, and green budget - **Report on integration of climate and green priorities into the strategic planning and budgetary process in Uzbekistan** were developed by Slovak experts (December 2025) based on international best practices and Uzbekistan context analysis. The papers provide actionable guidance for government on budget tagging methodologies, expenditure reviews, and investment appraisal tools.

These outputs were developed through:

- Study visit to Slovakia (June 2025) for Uzbekistan officials to learn strategic planning practices; See: [From Tashkent to Bratislava: Sharing Knowledge on Green Budgeting - UNDP-SK](#), [LinkedIn](#) and another [LinkedIn testimonial](#)
- Technical mission and workshop by 4 Slovak experts (September 2025); See: [Slovakia Backs Uzbekistan's Budget Reforms](#) or [Facebook Post](#).

- Webinar for 60+ specialists (December 2025) introducing SDG and green integration tools, covering SDG and Green Budget Tagging methodologies, expenditure reviews, investment appraisal tools, Climate PIMA, and BIOFIN instruments. This initiated a structured capacity building series continuing through 2026. Effectiveness and application of learned tools will be assessed following completion of the 2026 activities. See: [Webinar focuses on integration of SDGs and Green priorities into Uzbekistan’s planning and budgeting framework](#) and [LinkedIn post](#).

Intervention Area II: Capacity Building to promote programme budgeting



Strengthened institutional capacity in **programme budgeting** and advanced budget tagging methodology that integrates existing SDG, climate, and green budget tagging practices through technical assistance and practical training for the National Committee on **Ecology** and Climate Change of the Republic of Uzbekistan. The project also provided support in developing the Committee’s 2026 budget request in the format of budget programmes, including the definition of strategic goals, targets, and key performance indicators (KPIs).

The project developed a **Practical Guide on Programme-Based Budgeting in Uzbekistan**, strengthening institutional capacity in programme budgeting and advancing an integrated budget-tagging methodology aligned with SDG, climate, and green budgeting practices. Through technical assistance and practical training provided to the National Committee for Ecology and Climate Change, the project also supported preparation of the 2026 budget through the development of budget programmes, including strategic goals, objectives, and key performance indicators (KPIs). Resulting in development of five budget programs for the National Committee on ecology and climate change. The targeted indicators for these programs were approved by the Presidential decree No388 “[On measures to ensure the implementation of the Law of the Republic of Uzbekistan "On the State Budget of the Republic of Uzbekistan for 2026"](#)". In Annex 6 of this document, target performance indicators for the budget programs for 2026-2028 for

the National Committee for Ecology and Climate Change of the Republic of Uzbekistan were set.

Increased skills of over 100 officials from relevant ministries and agencies through targeted **capacity-building activities**, including two trainings and training-of-trainers sessions, leading to improved practical skills in evaluating budget programmes, applying SMART indicators, using digital monitoring tools, and linking strategic planning, budgeting, and internal audit.

For reference, see:

- [LinkedIn](#) post,
- [Training on Programme Budgeting in Uzbekistan - UNDP-SK](#),
- [Uzbekistan Hosted Hands-On Programme-Based Budgeting Training - UNDP-SK](#),
- [The next seminar on the implementation of the program budgeting system in the Republic of Uzbekistan was held](#)



REGIONAL PROJECT: SMART FINANCE FOR ACCOUNTABLE LOCAL GOVERNANCE (2025)

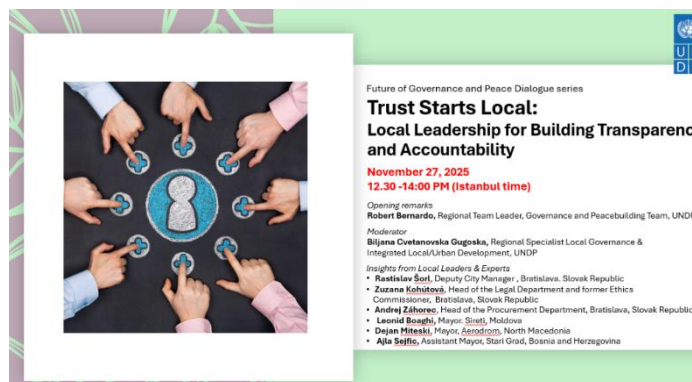
*Project summary: The first [regional project under the PPF](#), approved by the PPF PB in August 2025, aims to strengthen public financial management and SDG-focused auditing in the Western Balkans and Moldova by addressing weaknesses in financial management, enhancing auditing practices, and promoting [corruption prevention](#) at the local level. The project main partners are the Supreme Audit Offices (SAOs), Ministries of Finance and selected municipalities of the participating six countries, **North Macedonia, Montenegro, Serbia, Bosnia and Herzegovina, Moldova**, and, for the first time within the PPF, **Albania**.*



During the reporting period, the project made initial progress toward its objectives by establishing the foundations for effective regional implementation and stakeholder engagement. A [high-level policy dialogue](#) brought together senior representatives from SAOs, MFs, UNDP Country Offices, and strategic partners. The workshop facilitated policy dialogue on SDG auditing and public finance oversight, strengthened future regional cooperation on building the capacities of SAOs in improving the national auditing.

Accountability brought together municipal to promote peer learning on transparency, mechanisms, and citizen engagement. The from Bratislava (Slovakia), Sireti (Moldova), Stari Grad (Bosnia and Herzegovina), participating municipalities, increasing interest identifying follow-up actions to enhance local

In



addition, a **regional webinar Trust Starts Local: Local Leadership for Building Transparency and Accountability** brought together leaders and governance practitioners ethical leadership, integrity webinar showcased good practices Aerodrom (North Macedonia), and strengthening exchange among in practical transparency tools, and accountability mechanisms.

Progress in output indicators for regional PFD focused on establishing analytical groundwork. Outcome-level results expected 2026-2027.

Progress in output indicators for PFD Smart Finance regional project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 1.1- Number of country specific public finance initiatives developed by project	0	0	0	
Indicator 1.2: Number of country specific public finance policies, regulations adopted by partner governments	0	0	0	

project - as a new project, Year 1

Intervention Area I: SDG Auditing

The regional **SAIs capacity needs assessment** was initiated, and its first draft findings were presented during the workshop. This process provided an initial mapping of institutional capacities and gaps related to SDG auditing, gender integration, staffing, and technical expertise. While the assessment is still ongoing, it has already contributed to building a shared evidence base and helped identify priority areas for future capacity development interventions.

Project Output 2: Investing in SDGs (SDGi)

The [Investing](#) in SDGs (SDGi) component aims to build an enabling ecosystem for mobilizing external financing, with a particular focus on private-sector financial resources, knowledge, expertise, and technologies that support the achievement of the SDGs. It complements public finance reforms by strengthening linkages between public and private actors and expanding opportunities for sustainable investment aligned with national priorities. A full list of projects approved for 2024–2025 is provided in [Annex II: Updated Risk Log](#)

Description	Date Identified	Type	Impact & Probability	Counter-measures / Mngt response	Owner	Last Update	Status
1. Changing political priorities of partners	July 2024	Political	Unexpected political developments in partner countries or global developments (e.g. war, pandemic) may cause changes in the (new) government's priorities. These can have an impact on activities that are already being implemented, either by cancelling them, temporarily cancelling them, or delaying their implementation. Likelihood = 3 Impact = 5 Risk level: Substantial	Monitor political developments and assess their impact on the project results / timely response to changes, changes or modifications of implementation plans	Project manager, UNDP COs, Project Board	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
2. Lack of commitments (government and/ middle management at partner institutions) to public finance	July 2024	Political	Lack of commitments (government or middle management at partner institutions) to public finance reforms and to project initiatives Likelihood = 2 Impact = 4 Risk level: Moderate	Political	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.

reforms and to project initiatives							
3. Duplication with other initiatives	July 2024	Strategic	Duplication of activities results in inefficient use of resources Likelihood = 1 Impact = 2 Risk Level: Low	Needs assessments, participation on donor coordination meetings, harmonization with other donors	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
4. Lack of experts with relevant expertise and/or capacities	July 2024	Operational	Number and availability of experts with required experience may not be sufficient Likelihood: 2 Impact: 4 Risk Level: Moderate	In order to mitigate this risk, the timing of expertise needs must be set correctly in accordance with the time capacities of experts; the active relations management and communication with experts, including the UNDP expert roster, must be implemented; and existing networks with Slovak and international experts and companies must be fully utilized	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
5. Limited interest from Slovak private companies to participate in the project; limited outreach to companies in beneficiary countries	July 2024	Strategic	Lack of interest and expertise reduces participation of Slovak private sector in development cooperation Likelihood: 2 Impact: 3 Risk level: Moderate	Existing networks engaging with Slovak companies will be fully used to mitigate this risk	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
6. Limited Capacity for Blended Finance Implementation	November 2025	Operational	Limited national as well as municipal Capacity for Blended Finance Implementation does not have a direct impact on the implementation of the PPF project ; however, it may limit the ability of beneficiaries, particularly municipalities, to implement follow-up	Integration of targeted municipal capacity-building on blended finance from the project design phase to ensure effective mobilization of follow-up investments	Project manager, UNDP COs	31 December 2025	**As the preparatory phase of future investment projects has not yet been completed, the risk has not materialized; however, there are strong indications that it may emerge.**

			investments expected to build on the support provided under the PPF/SDGi component. Likelihood = 3 Impact = 4 Risk level: Substantial				
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Annex III: Multi Year Work Plan (Financial overview)

PROJECT COMPONENTS/OUTPUTS	PLANNED ACTIVITIES	PPFD project budget 2024-2029						Total Amount	Responsible Party	Funding Source	Budget Description
		2024 Expenses	2025 Expenses* (17-Feb 2026)	2026 Budget (revised Feb 2026)	2027 Budget (revised Feb 2026)	2028 Budget (initial)	2029 Budget (initial)				
Component 1: Public Finance for Development	1.1 Needs assessment, monitoring, coordination	6,374.34	13,743.79	19,881.87	50,000.00	50,000.00	20,000.00	160,000.00	IRH	MFSR	Travel Consultants
	1.2 PFM Support to UNDP COs	26,620.15	9,000.63	60,317.81	1,340,000.00	1,400,000.00	500,000.00	3,335,938.59	IRH/UNDP COs	MFSR	Int'l/Ntl Consultants Company services
	1.2.1_Moldova PFM	8,439.17	136,051.49	305,509.34	-	-	-	450,000.00	MLD CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.2_Montenegro PFM	9,086.21	260,157.13	530,756.66	-	-	-	800,000.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.3_Uzbekistan PFM	-	241,448.03	238,551.97	-	-	-	480,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.4_Serbia PFM	-	1,967.62	361,722.38	-	-	-	363,690.00	SRB CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.5_N.Macedonia PFM	6,052.86	259,097.18	234,469.17	70,380.79	-	-	570,000.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.6_Bosnia & Herzegovina PFM	-	182,112.56	304,038.44	-	-	-	486,151.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	1.3 Knowledge sharing, promotion & visibility	1,068.55	5,071.73	18,859.72	30,000.00	30,000.00	15,000.00	100,000.00	IRH	MFSR	Audio/Visual production
	1.4 Project Management and office costs	91,577.67	246,991.19	461,431.14	320,000.00	320,000.00	160,000.00	1,600,000.00	IRH	MFSR	Programme Specialist, Programme Associate, PS
	1.5 IRH_Smart Finance for LG (Regional, IRH)	-	13,524.33	113,049.67	39,742.00	-	-	166,316.00	IRH	MFSR	Int'l/Ntl Consultants Company services
1.5 MKD_Smart Finance for LG (Regional, N.Macedonia)	-	4,090.17	252,880.83	269,913.00	-	-	526,884.00	MKD CO	MFSR	Int'l/Ntl Consultants, Company services, Trainings	
Sub-Total for Component 1 (including GMS)		149,218.95	1,373,255.85	2,901,469.00	2,120,035.79	1,800,000.00	695,000.00	9,038,979.59			
Component 2: Investing in SDGs	2.1 Needs assessment, monitoring, coordination	819.98	9,030.09	10,149.93	20,000.00	20,000.00	10,000.00	70,000.00	IRH	MFSR	Travel Consultants
	2.2 UNDP COs projects support (general)	-	1,298.43	9,765.57	501,680.00	800,000.00	160,000.00	1,472,744.00	IRH/UNDP COs	MFSR	Int'l/Ntl Consultants Company services
	2.2.1_Bosnia&Herzegovina SDGi	-	34,661.29	165,338.71	-	-	-	200,000.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.2_Montenegro SDGi	-	49,786.35	149,149.65	-	-	-	198,936.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.3_Uzbekistan SDGi	-	2,254.65	197,745.35	-	-	-	200,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.4_Serbia SDGi	-	7,789.33	167,170.67	25,040.00	-	-	200,000.00	SRB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.5_N.Macedonia-SDGi support	-	65,765.74	134,234.26	-	-	-	200,000.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.6_Moldova-SDGi support	-	7,296.76	192,703.24	-	-	-	200,000.00	MLD CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_IRH_Cyber Security (Regional,IRH)	-	56,463.90	166,856.10	-	-	-	223,320.00	IRH	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_ALB_Cyber Security (Regional,Albania CO)	-	-	33,750.00	-	-	-	33,750.00	ALB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_BIH_Cyber Security (Regional,BIH CO)	-	-	33,750.00	-	-	-	33,750.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_MNE_Cyber Security (Regional,Montenegro CO)	-	1,933.96	31,816.04	-	-	-	33,750.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_MKD_Cyber Security (Regional,N.Macedonia CO)	-	6,616.76	27,133.24	-	-	-	33,750.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
2.2.8_Uzbekistan_Horticulture & Water systems	-	-	158,240.00	61,760.00	-	-	220,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services	
Sub-Total for Component 2 (including GMS)		819.98	242,897.26	1,477,802.76	608,480.00	820,000.00	170,000.00	3,320,000.00			
Component 3: Knowledge Management	3.1 MFSR capacity development	7,609.42	17,959.77	44,430.81	30,000.00	30,000.00	10,000.00	140,000.00	IRH	MFSR	Travel Learning costs
	3.2 Capacity development events and workshops	-	5,768.02	64,231.98	30,000.00	30,000.00	10,000.00	140,000.00	IRH	MFSR	Travel Learning costs
	3.3 MFSR financial tools assessment	-	-	40,000.00	20,000.00	20,000.00	10,000.00	90,000.00	IRH	MFSR	Travel Consultants
	3.4 PPFD mid-term & final project evaluation	-	-	20,000.00	20,000.00	-	40,000.00	80,000.00	IRH	MFSR	Travel Consultants
Sub-Total for Component 3 (including GMS)		7,609.42	23,727.79	168,662.79	100,000.00	80,000.00	70,000.00	450,000.00			
TOTAL PPFD		157,648.35	1,639,880.90	4,547,934.55	2,828,515.79	2,700,000.00	935,000.00	12,808,979.59	-	-	-

*as per AAA report dated 17 February 2026

12,375,000.00 PPFD 2024+ project budget (as per ProDoc)

433,979.59 Leftover from the previous project phase (2017- June 2024)

12,808,979.59 PPFD Total project budget incl. leftover

Annex IV: Overview of PFD and SDGi projects and funding approved in 2024-2025.

Output indicators	Baseline and targets	Progress against targets For more details see country-based reports bellow or Annex I: Progress Review: detailed matrix of activities and results
2.1 Number of new partnerships supported by the Project⁵ 2024 PPFDP project document indicators are set as following: Baseline 2024:0 Final target in 2029: 13	Baseline (2025): 1 AWP target 2025: 2	Reporting period (2025): 8 Cumulative total (2024-2025): 9
2.2 Number of initiatives supported by the Project that attracted private sector or external investments⁶ 2024 PPFDP project document indicators are set as following: Baseline 2024:0 Final target in 2029: 7	Baseline (2025): 0 AWP target 2025: 1	Reporting period (2025): 1 Cumulative total (2024-2025): 1

Financial budget utilization

Output	2025* Expenses
Output 2 - SDGi	242,897.26 USD

*As of February 17, 2026

⁵ Indicator 2.1 refers all partnerships supported by the project, including new SDGi projects and the partnerships they generated, as well as those developed through the efforts of the PS Specialist, which focused on identifying and establishing partnerships, primarily with UNDP COs, for collaborative projects. In this context, the indicator specifically includes partnerships that resulted in the submission of joint projects for funding.

⁶ Indicator 2.2 focuses solely on reporting of initiatives that resulted in ensuring of real investments or financial agreements. It tracks whether UNDP COs have successfully utilized the outcomes of the supported projects and ensured financial resources for further related investments and their implementation.

Key activities and results in reporting period

BOSNA AND HERZEGOVINA: ENERGY EFFICIENCY IN BOSNIA AND HERZEGOVINA INDUSTRY

Project summary: The Energy Efficiency in Bosnia and Herzegovina Industry project, approved by the PPFDP in February 2025, aims to establish a certified pool of energy auditors to ensure compliance with energy standards and support informed decision-making. The project will train and certify auditors, conduct model energy audits in industrial buildings, and create conditions for energy savings and new B2B opportunities in the sector, however so far no official partnerships have been established.

Progress in output indicators for Bosnia and Herzegovina SDGi project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	0	0	
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	0	0	



In 2025, initial progress was made toward these objectives. **A methodology and training program for the education and certification of energy auditors** was developed in line with national legislation. In cooperation with the Federal Ministry of Energy, Mining and Industry (FMERI), a [public call](#) was announced to select experts for advanced training in energy audits. Eighty-five candidates applied, and [twenty-five met the criteria and successfully completed the training](#), which included practical measurements in industrial settings. The next step, the examination and certification phase, will be conducted by FMERI in January 2026. Upon passing the exam, participants will receive official authorization from the Ministry to carry out energy audits in the industrial sector.

MOLDOVA: RENEWABLE ENERGY IN MOLDOVA

Project summary: The Renewable Energy in Moldova project, approved by the PPFDP in August 2025, aims to [enhance the capacity of merged Local Public Authorities \(LPAs\)](#) to prepare bankable renewable energy investments, supporting Moldova energy transition and local development objectives. The project promotes energy self-sufficiency by strengthening local governments' ability to plan, prepare, and secure funding for photovoltaic power plants on buildings and land owned by LPAs.

In 2025, initial steps were taken to implement the project objectives. A public call was announced to identify local authorities interested in increasing their capacity in project preparation, financial modeling, and engagement with investors and financial institutions. [Four LPAs were selected](#), Roscani, Leova, Geamana, and Calinesti, to participate in project's capacity-building activities and develop investment-ready renewable energy projects.

Progress in output indicators for Moldova SDGi project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	0	0	
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	0	0	

MONTENEGRO: ReWaste: Reducing Waste and Rethinking Waste Management in Montenegro

Project summary: The [ReWaste: Reducing Waste and Rethinking Waste Management in Montenegro](#) project, approved by the PPFDPB in February 2025, aims to transform the waste management system of Podgorica into a sustainable, modern, integrated, and EU-compliant model. The transformation focuses on modernizing waste collection through digital technologies and establishing conditions for a sorting line to increase recycling and provide dry residual waste for waste-to-energy facilities.

Progress in output indicators for Montenegro SDGi project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	4	4	<ol style="list-style-type: none"> 1. Plastiks.io to pilot a blockchain-based solution for EPR compliance and plastic credit issuance. 2. Partnership with Saubermacher.at 3. Partnerships with German Embassy 4. Slovenian Embassy in Montenegro for donations to support the development of the Environmental Education Centre at the landfill
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	1	1	<ol style="list-style-type: none"> 1. Podgorica. USD 580 000 for development Waste to Energy feasibility study for Deponia d.o.

In 2025, key steps were taken to advance the project objectives. A [study](#) recommending improvements to municipal and industrial waste collection and processing was developed. Based on the study, Podgorica allocated USD 580,000⁷ for a feasibility study for a waste-to-energy facility. Knowledge transfer was supported through a [study visit](#) to Slovakia by Podgorica city representatives and staff from the waste management companies Čistoća and Deponia. Meetings and demonstrations introduced methods for municipal waste fee collection, modern sorting lines, and digital waste collection management. Awareness-raising activities included a round table with the Podgorica, UNDP, the EU, and other stakeholders, which led the embassies of Slovenia and [Germany](#) to pledge USD 41,000 for the construction of an educational center on proper waste collection and sorting.



⁷ Reported under the Indicator 2.2.

NORTH MACEDONIA: CYBERSECURITY IN WATER SERVICES MANAGEMENT IN NORTH MACEDONIA

Project summary: The [Strengthening Cybersecurity in Water Companies in North Macedonia](#) project, approved by the PPF PB in November 2024, aims to enhance the cybersecurity resilience of the critical water infrastructure, ensuring a reliable supply of drinking water.

Progress in output indicators for North Macedonia SDGi project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	4	4	<ol style="list-style-type: none"> 1. Ministry of Digital Transformation as a project supporter, 2. Public Utility Company (PUC) Komunalec Kavadarci (pilot partner) 3. PUC Hydro System Zletovica (pilot partner) 4. PUC Komunalec Gostivar (pilot partner)
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	0	0	

In 2025, a comprehensive **Cybersecurity Methodology for Water Service Providers** was developed to guide the project implementation. The document was developed by Slovak expert and is based on Slovak practices. The methodology includes structured vulnerability assessments covering legal and regulatory compliance, digital infrastructure, operational procedures, and risk identification, and reflects the newly drafted *Law on Security of Network and Information Systems* and the *2025–2027 Action Plan for implementing the 2025–2028 Cybersecurity Strategy*.



Strategic partnerships were established with the Ministry of Digital Transformation and three pilot Public Utility Companies, [PUC Komunalec Kavadarci](#), [Hydro System Zletovica](#) and PUC Komunalec Gostivar. Following a detailed assessment of digitalization levels and associated risks, tailored cybersecurity measures were introduced, including the procurement of relevant equipment and targeted activities

to strengthen system resilience against cyber threats. Each of the participating companies will invest in the equipment from their own budgets. The results will then be presented to the other companies whose investments we will monitor. We already have information about interest from the water company in the capital city of Skopje.

SERBIA: GEOTHERMAL ENERGY IN SERBIA

Project summary: Approved by the PPF Project Board in February 2025, the [Geothermal Energy in Serbia](#) project aims to enable wider use of geothermal energy for heat generation by leveraging financing from international financial institutions and commercial banks, while identifying viable locations for renewable energy projects in public facilities.

Progress in output indicators for Serbia SDGi project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	0	0	
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	0	0	

In 2025, the project prepared a [public call for proposals](#) to promote the use of geothermal energy in public buildings, announced in April 2025 and supported by a series of [public events](#). Fourteen proposals were submitted, and after evaluation of site conditions, project capacities, financial readiness, and investment purpose, two projects were selected for support: the Heating Plant Mišeluk in **Petrovaradin, City of Novi Sad** and the Heating of Public Facilities in the territory of Jošanička Banja, Municipality of **Raska**. Financing for these projects will be supported through the [EIB Green Agenda in Serbia](#) initiative, marking a key step toward advancing geothermal energy deployment in Serbia.



UZBEKISTAN: ENERGY AUDITS - UNLOCKING ENERGY EFFICIENCY POTENTIAL OF PUBLIC BUILDINGS IN UZBEKISTAN

Project summary: The Energy Audits – Unlocking Energy Efficiency Potential of Public Buildings in Uzbekistan project, approved in August 2025 by the PPFDB, aims to improve energy efficiency in public buildings by establishing a certification system for energy auditors and strengthening technical capacity. Energy audits will identify energy-saving opportunities that, combined with ESCO financing, can generate returns and attract private sector investment.

Progress in output indicators for Uzbekistan SDGi project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	0	0	
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	0	0	

In 2025, preparatory work focused on defining requirements for experts. Progress depends on the gradual strengthening of central authorities' capacities, with the [National Agency for Energy Efficiency](#) serving as the main partner. The Agency is progressively integrating the necessary national regulations and capacities to enable the performance of energy audits.



REGIONAL PROJECT: CYBERSECURITY FOR A RESILIENT DIGITAL FUTURE

The [Cybersecurity for a Resilient Digital Future](#) project, approved by the PPFDB in August 2025, aims to enhance cybersecurity resilience in **Albania, Bosnia and Herzegovina, Montenegro, and North Macedonia**, with a particular focus on the energy sector. The project supports the strengthening of digital defense capabilities in strategic energy infrastructure, aligns national systems with European legislation and standards, and enables the private sector to implement measures and access investment funds through multiple financing sources.

In 2025, the project made initial progress by establishing operational foundations at both regional and country levels. Coordination with UNDP Country Offices was formalized, country cybersecurity focal points were appointed, and initial engagement with national cybersecurity authorities, energy sector institutions, and private sector stakeholders was initiated. These early activities highlighted opportunities to further strengthen institutional coordination, cooperation, and knowledge sharing on cybersecurity.

Progress in output indicators for SDGi Cybersecurity for a Resilient Digital Future project				
Output indicator	Baseline 2024	Achieved in 2025	Cumulative 2024-2025	Details
Indicator 2.1- Number of new partnerships supported by the Project	0	0	0	
Indicator 1.2: Number of initiatives supported by the Project that attracted private sector or external investments	0	0	0	

Project Output 3: Knowledge management

This component aims at strengthening the development cooperation capacities of the Ministry of Finance of the Slovak Republic and its ODA partners.

Output indicators	Baseline and targets	Progress against targets
		For more details see Annex I: Progress Review : detailed matrix of activities and results and Annex V . Knowledge Management – Reflection survey
3.1 Number of training/capacity building events attended every year by development cooperation staff of the MFSR disaggregated by sex (with close connection to Slovak ODA Strategy) 2024 PPFDF project document indicators are set as following: Baseline 2024:0 Final target in 2029: 17	Baseline (2025): 6 AWP target (2025): 3	Reporting period (2025): 4 Cumulative total (2024-2025): 10 33 participants in total (32 women, 1 man)
3.2 Satisfaction level and relevance of trainings offered to the MFSR staff by the project 2024 PPFDF project document indicators are set as following: Baseline 2024:0 Final target in 2029: 50%+	Baseline: 50% (<i>Due to its nature, this indicator cannot be recorded cumulatively. 50% is the minimal satisfaction requested required by the Project Document</i>) AWP target (2025): 50%	Reporting period (2025): > 85% Due to its nature, this indicator cannot be recorded cumulatively.
3.3 Number of events, reports or communication material where Slovak ODA experience on finance is shared annually 2024 PPFDF project document indicators are set as following: Baseline 2024:0 Final target in 2029: 13	Baseline (2025): 6 AWP target (2025): 2	Reporting period (2025): 15 Cumulative total (2024-2025): 21 Slovak ODA experience on finance was also publicly shared and presented through PPFDF website and social media.

Financial budget utilization

Output	2025* Expenses
Output 3 – Knowledge Management	23,727.79 USD

*As of February 17, 2026

Key activities and results

In 2025, the Knowledge Management component of the PPFDF project continued to strengthen the institutional capacity of the Ministry of Finance of the Slovak Republic by supporting targeted professional development and participation in international expert platforms. These activities aligned closely with the Ministry's priorities in development cooperation, public finance management, and emerging global trends influencing ODA delivery.

This output is implemented primarily through two types of activities: training and capacity-building events for MFSR development cooperation staff (Indicator 3.1), and events, reports, or communication materials sharing Slovak ODA experience in finance (Indicator 3.3). The satisfaction and relevance of training provided

to the MFSR were assessed through the Knowledge Management Component Reflection Survey 2025, completed by the MFSR, which rated overall satisfaction at over 85%.

Under training and capacity-building activities, four **structured capacity-building activities** (Indicator 3.1) **tailored to MFSR** staff needs has been completed. Courses on **change management and leadership** strengthened practical skills for navigating institutional reforms and improved stress-management capacities across the team. Basic **Generative AI Training** directly enhanced staff digital readiness, equipping them with competencies to safely and effectively use AI tools in analytical and administrative tasks linked to ODA management. The [Project Management P3.express](#) course provided the methodological basis for more efficient project planning and monitoring and prepared participants to pursue P3.express official certification.

Throughout the year, Slovak ODA expertise was shared through nine events (Indicator 3.3), including **high-level international meetings**, two sessions of the [OECD DAC Working Party on Development Finance Statistics in Paris](#) (March and July), the [PEFA Steering Committee Meeting in Brussels \(June\)](#), the [Financial Management Umbrella Program \(FMUP\) Partnership Council Meeting \(December\)](#), [5th Ukraine Investment Framework Steering Board Meeting](#), [Istanbul Innovation Days 2025](#) and policy dialogues such as [SDG auditing policy dialogue](#) implemented under the PPF project. Participation in these platforms enabled staff to follow and contribute to evolving global standards on development finance, reporting, and accountability, while strengthening Slovak visibility and engagement within key multilateral fora. The team also took part in conferences relevant to strategic development policy such as the [CEF Forum](#) on institutional capacity building and the [Ambrela Development Forum in Bratislava](#), which provided new networking opportunities with civil society and international partners, supporting more coordinated dialogue on global development trends.

Additionally, MFSR staff took part in six further events where they presented strategic perspectives and shared their experience regarding ODA finance (Indicator 3.3). These included participation in two thematic study visits in Bratislava organized within the PPF project, three steering committee meetings of partnering institutions and projects, as well as a thematic workshop of the UNDP CEF project.

Please see [Annex I. Output 3](#) for more information and list of events. The diverse learning opportunities contributed to enhancing both technical knowledge, especially in development finance and statistical reporting, as well as essential soft skills required for strategic planning and implementation.

Overall, the 2025 knowledge management activities significantly contributed to strengthening the Ministry's operational readiness and alignment with OECD DAC standards. The combination of international participation and focused training supported higher-quality ODA planning, implementation, and reporting, evidence-based decision-making and improved interinstitutional cooperation.

Collectively, these activities resulted in:

- **Improved quality and accuracy of ODA statistical reporting** through active participation in OECD DAC technical discussions.
- **Enhanced institutional insight into global public finance and SDG auditing standards**, supporting better-informed policy decisions.
- **Strengthened staff competencies in project management, leadership, and applied AI**, contributing to more efficient internal processes.
- **Broader international engagement and partnerships**, reinforcing Slovakia's visibility and constructive participation in key global platforms.

Communication and Visibility

During the reporting period, PPFD strengthened its communication and visibility efforts across its own channels, donor platforms, partner country stakeholders, official government websites, and national media, enhancing the visibility of the project's results and partnerships.

To ensure consistent messaging across all platforms, the PPFD Communication Strategy 2024–2029 and Logo Guidelines were shared with focal points and communication specialists in newly approved projects, supporting alignment on messaging, branding, and donor acknowledgement.

MEDIA

Given the technical and specialized nature of public finance topics, not many issues were widely covered in the media during the reporting period; however, some news did receive attention. PPFD-supported initiatives were mentioned in several media outlets across Serbia, Bosnia and Herzegovina, and North



Macedonia. Coverage included announcements of public calls and project-related reforms, often highlighting UNDP and Slovakia's support.

Notable examples in **Serbia** include [Politika](#), [Danas](#), [Beta](#), [Tanjug](#), or the specialized outlet [eKapija](#), illustrating the project's recognition in established national outlets. A notable mention highlighted Minister of Environmental Protection Sara Pavkov, who acknowledged the support provided by Slovakia and UNDP during an Info Day on a public call; her remarks were shared widely across national media through a press release. In **Bosnia and Herzegovina**, the local [Trend Radio](#) reported on a municipal workshop supported by PPFD. Another local news portal in **Montenegro** [informed](#) about a workshop on programmatic and gender-responsive budgeting for

local government financial officials, naming the Slovak-funded project as well.

In addition, the economic outlet [Ekonomija i Biznis](#) in **North Macedonia** published an article featuring consolidated statements from key project partners, including the Director of the Public Revenue Office, the Auditor General, and the Ambassador of the Slovak Republic to North Macedonia, highlighting UNDP-supported public finance management reforms and Slovakia's donor role. Overall, while media coverage was geographically concentrated, it complemented visibility achieved through PPFD and UNDP channels, which remained the primary platforms for sharing updates and results.

PPFD AND UNDP CHANNELS

The PPFD website remained the primary communication hub, providing public access to information on PPFD-supported activities, projects, and results. It was updated to reflect newly approved regional, cross-country initiatives. Content on the website was further strengthened through the publication of [13 news articles](#) and two beneficiary testimonials by Victoria Belous and Miloš Mišković, showcasing not only project activities, but also national stakeholder perspectives.

Victoria Belous

Ex-Minister of Finance, Vice Chair of Parliamentary Finance and Budget Committee - Moldova



The Ministry of Finance, with the support of UNDP and the Government of Slovakia, benefited from the Public Finance for Development project in the Republic of Moldova. Moldova has carried out public spending reviews in key sectors such as health and social protection, identifying resources that were reallocated towards priority services with direct impact on people's lives. This partnership stands as a true example of effective cooperation for development — one that delivers tangible and lasting results for citizens and for the European future of the Republic of Moldova.

PPFD also maintained an active presence on [Facebook](#) and [LinkedIn](#). During the reporting period, 63 posts and shares were published on Facebook and 66 posts and shares on LinkedIn, supporting regular outreach to stakeholders and contributing to sustained visibility of PPFD interventions across countries and partners.

PPFD-related topics were also featured in UNDP-originated blogs, extending visibility beyond PPFD channels. One blog, authored by UNDP specialists involved in the project, [explored](#) how public finance transparency, anti-corruption, and governance reforms support sustainable investment in the Western Balkans and Moldova. Another one, co-authored by the Slovak Ministry of Finance and the UNDP Resident Representative in North Macedonia, [highlighted](#) the Slovakia–UNDP partnership supporting North Macedonia's long-term development priorities.

PARTNERS AND BENEFICIARIES

In partner countries, PPFD-supported policy dialogue and reform processes were prominently featured on official government platforms, with explicit references to the support of the Slovak Republic or MFSR as the donor. The **Government of Montenegro** published an [article](#) on a roundtable discussion for the draft Economic Reform Programme 2026–2028, reflecting PPFD support for national reform planning. **The Public Procurement Agency of Bosnia and Herzegovina** [highlighted](#) efforts to modernize and increase transparency in the public procurement system, explicitly referencing the PPFD project and Slovak Ministry of Finance support, while the **municipality of Velika Kladuša** showcased capacity-

building for more efficient and transparent public asset management on its [official website](#). **The Ministry of Finance of Moldova** [published](#) an article on the implementation of spending reviews, highlighting UNDP and MFSR support through PPFD. Beyond the Western Balkans, the **Ministry of Economy and Finance of the Republic of Uzbekistan** [reported](#) on an online webinar on integrating SDGs and green priorities into national planning and budgeting, mentioning PPFD as part of UNDP support.

These examples demonstrate that PPFD's engagement with partner governments not only supports reform and capacity-building but is also recognized through official channels, reinforcing the project's credibility and regional reach.

See the full visual communication report [on this link](#).

Section 5: Cross-Cutting Issues Integration

Among the full range of cross-cutting issues, this project most strongly reflects **Gender Equality and Women’s Empowerment** as well as **Sustainability and Resilience**, particularly through the integration of environmental challenges.

Gender Equality and Women’s Empowerment

Within the framework of UNDP gender measures, the project is classified as **GEN 1 – limited contribution to gender equality**, as gender equality is neither a principal (GEN 3) nor a significant (GEN 2) project objective. Nevertheless, gender equality and women’s empowerment are fully considered throughout the project cycle. All project activities are designed to uphold gender principles, and the gender dimension is taken into account when evaluating projects submitted for support. Additionally, participation in most training activities is tracked by sex, and women often represent the majority of participants. In the area of public financial management, the gender balance among project counterparts at the level of state secretaries, directors of sections, and departments was approximately **50:50** between women and men.

Sustainability and Resilience

The project contributes directly to the sustainability and resilience of societies by supporting development financing and investment initiatives in areas closely linked to sustainable development, including **green and clean energy, energy efficiency, waste management and infrastructure, and digitalization, including sustainable and smart cities**. Both public and private resources are essential for achieving the Sustainable Development Goals, and the project interventions are designed to strengthen societal resilience.

These measures not only prepare systems for potential global challenges, such as pandemics, armed conflicts, and other crises, but also establish technical systems and governance frameworks that remain resilient toward political changes.

IV. PARTNERSHIPS AND SUSTAINABILITY

Partnerships

Within the project, three main types of partnerships are envisaged: partnerships with Donor(s), UNDP internal partnerships, and external partnerships.

Donor partnership: The project main donor and partner is the Slovak Ministry of Finance, which provides both project financing and technical expertise. Several PPF-financed sub-projects have also partial co-financing from other sources, primarily the EU, municipalities or other countries. Slovak Embassies and EU delegations in respective countries also play an important role in coordinating joint interventions.

UNDP internal partnerships: The primary internal partners of the project are the UNDP COs. Following the approval of two regional projects, the UNDP IRH *Governance and Peacebuilding Team* became a strategic partner, collaborating with the Partnerships Team on their implementation. Additionally, the *SDG Finance, Innovation, Governance, Gender, and Environment teams* provide targeted support for the evaluation and implementation of projects within their areas of expertise.

External partnerships: The project's main external partners are institutions receiving technical assistance and capacity-building support, typically including ministries of finance, line ministries, local governments, supreme audit institutions, and others. Their role goes beyond that of project beneficiaries; they are co-designers, actively engaged in both planning and implementation. Without their involvement, the project could neither be successfully implemented nor could it ensure the sustainability of its results.

Other external partners include experts and consultants, whether from various institutions, private sector entities, or independent consultants.

Sustainability

The project seeks to ensure sustainability at multiple levels.

First, sustainability is actively assessed during the preparation of projects submitted by the CO for approval. All proposed projects must be **fully aligned with current national strategies, plans**, and other relevant policy documents. This ensures that reforms and initiatives introduced by the project are not only sustainable but can also be further developed and maintained by governments or partner institutions.

A key sustainability factor is project programmatic, **demand-driven approach**, built on close **collaboration with beneficiary institutions**. These partnerships involve engagement throughout the full project cycle, from design and implementation to monitoring and any necessary adjustments in response to changing conditions. This proactive approach reinforces the commitment to adapt while remaining focused on its core projects objectives.

Another critical factor is **alignment with UNDP strategic principles and frameworks**, particularly the Country Programme Documents. Integrating project interventions into broader UNDP CO objectives and coordinating with other donors enhances overall effectiveness and ensures wider results.

Proposed projects also include strong capacity-building components, ensuring that **knowledge remains within beneficiary institutions**. The project emphasizes the development of internal systems for capacity-building, such as comprehensive training programs, training of trainers initiatives, and similar activities, to enable knowledge transfer within institutions.

Finally, the project team and implementers will ensure that all relevant documentation is publicly accessible and actively disseminated through appropriate forums.

V. UPDATE ON RISKS AND MITIGATION MEASURES

Risks update

PPFD Project Document identifies the following six risks:

RISK	Substantial risk level	Moderate risk level	Low risk level
Changing political priorities of partners			
New risk (added November 2025): Limited Municipal Capacity for Blended Finance Implementation			
Lack of commitments at partner institutions to public finance reforms and to project initiatives			
Lack of experts with relevant expertise and/or capacities			
Limited interest from Slovak private companies			
Duplication with other initiatives			

No risks identified in the project within the project document risk register materialized in 2025. Notably, in the context of the ongoing EU accession processes for the Western Balkans countries and Moldova, and the related approximation of the acquis, the risk Lack of commitment at partner institutions to public finance reforms and project initiatives proved to be largely irrelevant. On the contrary, partner institutions demonstrated a higher level of commitment and active engagement. In 2026, particular attention will be given to monitoring risks related to the elections in Bosnia and Herzegovina and potential changes in policy priorities under a new government.

However, a new **emerging risk - Limited Capacity for Blended Finance Implementation** - was identified related to evolving donor financing modalities, marked by a gradual shift from traditional grant-based instruments towards blended finance approaches. Limited municipal capacity to design, structure, and implement blended finance schemes may constrain the mobilization of follow-up investments, particularly under the SDGi component. This risk will require targeted mitigation measures, intelligence support of UNDP both, IRH and COs, including enhanced technical assistance and capacity development at the local level.

Mitigation

As mentioned above, so far none of the project identified within the initial project document prepared in 2024 risks materialized. However, the new risk was added. The project team continues to monitor all potential risks closely. Should any risk occur, it will be addressed promptly through appropriate mitigation measures, including adjustments to project design, strengthened engagement with partner institutions, and targeted technical or capacity-building support. The project risk register will be regularly updated to ensure continued resilience and effective delivery of project objectives.

The updated Risk Log is in [Error! Reference source not found.](#)

VI. KEY CHALLENGES, LESSONS LEARNED AND RECOMMENDATIONS

Challenges

During 2025, there were no major operational or implementation issues, and all activities implemented by UNDP IRH and UNDP COs were launched and implemented as planned with strong cooperation and support from partners. Nevertheless, several structural and contextual challenges were identified.

Ensuring sustained institutional commitment, particularly at the local level, remains crucial, as the continued involvement of top management and the adequate allocation of resources (both financial and human) are essential for turning technical assistance into tangible reforms. Differences in institutional capacity across institutions require a tailored and flexible implementation approach.

An emerging challenge relates to evolving donor financing modalities, characterized by a **gradual shift from traditional grant-based instruments towards blended finance approaches**. Limited municipal capacity to design, structure, and implement blended finance schemes may constrain the mobilization of follow-up investments, particularly under the SDGi component. Addressing this challenge will require targeted mitigation measures, including enhanced technical assistance and capacity development at the local level.

Ensuring accurate and flexible **coordination between multiple components, initiatives and institutions** can be challenging, especially because timelines often overlap and reform priorities compete. This is particularly evident in the context of elections, changes in government, staff turnover and limited fiscal space.

In addition, in 2025, the Project was adversely affected by external factors, such as airline disruptions during the organization of a key regional meeting on SDG Auditing. This event highlighted the necessity for enhanced risk management practices.

Lessons Learned

From the 2025 implementation, the following lessons learned emerge:

- ✓ Effective implementation of the project **requires proper, precise, and flexible coordination** across multiple components, initiatives, and institutions, as well as the correct sequencing of interventions within the broader reform framework. This is essential for optimizing both human and financial capacities. This requires also a high level of patience, that brings the positive and well-considered results;
- ✓ The reporting period reaffirmed the **importance of strong institutional ownership** and clear, consistent communication in supporting reform processes;
- ✓ **Early and transparent engagement with partners** proved essential for building trust, managing expectations, and sustaining momentum;
- ✓ **Flexibility** in implementation allowed the Project to respond to emerging priorities and capacity constraints, while structured coordination mechanisms and continuous dialogue helped mitigate delays in decision-making.
- ✓ The shift in donor financing modalities from grant-based instruments towards blended finance highlights the importance of early and targeted capacity development at the national as well as municipal level. **Strengthening the ability of authorities to design, structure, and implement blended finance schemes is essential** to ensure the successful mobilization of follow-up investments. Integrating capacity-building measures alongside technical project design from the outset enhances sustainability and scalability of investment-oriented interventions;
- ✓ The experience also demonstrated that **sustained capacity development**, including training and mentoring, is crucial in environments characterized by staff turnover and ongoing systemic reforms;

- ✓ **Inter-institutional cooperation and partner commitment are key enablers** of progress and results.

Recommendations

Drawing on the challenges identified and lessons learned, the key recommendations are as follows:

- ✓ Keep implementing **proper, precise, and flexible coordination** across all components, initiatives, and institutions, as well as the correct sequencing of interventions within the broader reform framework;
- ✓ Future implementation should continue to **prioritize the institutionalization of tools, methodologies, and processes** within national systems to ensure sustainability beyond the Project lifecycle;
- ✓ Future SDGi interventions should **systematically integrate targeted municipal capacity-building on blended finance** from the project design phase to ensure effective mobilization of follow-up investments;
- ✓ Strengthening **inter-ministerial coordination and reinforcing institutional ownership** at both technical and management levels is recommended to address capacity gaps and staff turnover risks;
- ✓ **Targeted capacity-building** activities, complemented by tailored guidance materials, should support further integration of SDGs and green priorities into strategic planning and budgeting;
- ✓ In light of contextual and logistical risks, **flexible planning approaches**, and hybrid participation modalities should be further utilized to enhance resilience and continuity of implementation.

VII. FINANCIAL SUMMARY⁸

Table 1: Overview of available resources for the PPF project duration (in USD)

Donor	Leftover from PPF project phase (2017-2024)	Financing agreement 1 1 st installment (2024)	Financing agreement 1 2 nd installment (2025)	Financing agreement 1 3 rd installment (2026)	Financing agreement 2 (2027-2029) - TBC	Total Project Resources (2024-2029)
MFSR	433,979.59	2,435,000	2,000,000	2,000,000	5,940,000	12,808,979.59

Table 2: Overview of allocation and utilization per Output (in USD)

PPFD Output	Budget 2025 (USD)	Utilization 2025 ⁹ (USD)
Output 1 - Public Finance for Development Programme	1,616,026.75	1,373,255.85
Output 2 – Investing in SDGs	329,753.02	242,897.26
Output 3 – Knowledge Management	38,390.58	23,727.79
Total	1,984,170.35	1,639,880.90

⁸ Data contained in this report is an extract from UNDP financial records. All financial information provided above is provisional. Certified financial statements will be provided on (30 June of the following year)

⁹ The 2025 year-end closing process has not been finalized yet and 2025 expenditures are reported here as of February 17, 2026.

Annex I: Progress Review: detailed matrix of activities and results

Output 1	Indicators	Baseline 2025 ¹⁰	2025 Annual Target achieved	Progress Cumulative since 2024
Public Finance for Development Budget (2025): 1,616,026.75USD 2025 Expenditures*: 1,373,255.85 USD <i>* As of February 17, 2026</i>	1.1 Number of country specific public finance initiatives (policies, regulatory and institutional frameworks) developed by project for partner governments <i>Baseline 2024: 0</i>	0	24	24
	1.2 Number of country specific public finance policies, regulations adopted by partner governments <i>Baseline 2024: 0</i>	0	8	8
Planned activities	Results			
Activity 1.1 Needs assessments, planning, coordination, monitoring	Project monitoring was ensured, including several on-site missions and consultations with the UNDP Country Office. Two new PPF regional sub-projects developed.			
Activity 1.2 PFM support to COs	PPF administrative results for 2025 include two prepared and approved projects: the UNDP Serbia PFD Project and the first regional project implemented by IRH. PFD COs projects currently under implementation have delivered a range of results aimed at establishing more effective and transparent public financial management systems in the broadest sense. This includes improvements in auditing, alignment with SDG financing, and other related areas. Annex IV: Overview of PFD and SDGi projects approved in 2024–2025.			
Activity 1.3 Knowledge sharing, promotion & visibility	In 2025, PPF strengthened the visibility of its activities through coordinated communication across digital platforms, social media, UNDP Country Offices, and regional media. Visibility was further enhanced through targeted storytelling and media coverage, particularly for SDGi-supported initiatives, reinforcing awareness of project results and Slovakia's role as a donor.			

Indicator 1.1 Number of country specific public finance initiatives (policies, regulatory and institutional frameworks) developed by project details:

Bosnia and Herzegovina

1. Rulebook on Registration/Evidence of Assets, Municipality of Srbac
2. Rulebook on Registration/Evidence of Assets, Municipality of Ilijaš
3. Decision on Asset Management, Disposition, and Acquisition, Municipality of Srbac
4. Decision on Asset Management, Disposition, and Acquisition, Municipality of Ilijaš
5. Rulebook on Types of Own-Source Revenues and the Methods and Deadlines for Their Allocation, Municipality of Prozor-Rama
6. Draft of the New Law on Public Procurement, PPA of BiH

Moldova

1. Law on Public Finance and Budgetary-Fiscal Responsibility No. 181 (Amendment)
2. Spending Review methodology

Montenegro

1. Technical Specifications for Accrual Accounting Implementation in Montenegro (inception report)
2. Assessment of municipal readiness for the implementation of the Law on accounting in the public sector in Montenegro (inception report)
3. Draft Law on Crypto-Assets
4. Manual for RIA Trainers

¹⁰ Baseline 2025 represents the cumulative progress from 2024.

5. [Communication strategy for reducing the social acceptability of the informal economy and communication procedures with interested public](#)
6. [Annual Report on the Implementation of the Programme for the Suppression of the Informal Economy 2024–2026](#)
7. [Qualitative and quantitative analysis of the informal economy at the local level](#)

North Macedonia:

1. Handbooks for Municipalities on Monitoring Local Tax and Fee Collection
2. Guidelines for Enhancing Monitoring and Auditing for NDS Implementation
3. Report on the Informal Economy – Purpose and Benefits
4. Guide for Assessing Corruption Risks at Central and Local Levels and by Sector
5. Secondary legislation (by laws) for GMT covering the calculation and collection of the Qualified Domestic Minimum Top-up Tax, the GloBE Information Return, the Top-up Tax Return, and the payment procedures for the Qualified Domestic Top-up Tax
6. Strategy for Reducing Cash Flow 2026–2028

Uzbekistan

1. Report on integration of climate and green priorities into the strategic planning and budgetary process in Uzbekistan
2. Report on integration of SDGs into the strategic planning and budgetary process in Uzbekistan
3. Practical Guide on Programme-Based Budgeting in the Republic of Uzbekistan

Indicator 1.2 Number of country specific public finance policies, regulations adopted by partner governments details:

Bosnia and Herzegovina

1. Rulebook on Registration/Evidence of Assets, Municipality of Srbac
2. Rulebook on Registration/Evidence of Assets, Municipality of Ilijaš
3. Decision on Asset Management, Disposition, and Acquisition, Municipality of Srbac
4. Rulebook on Types of Own-Source Revenues and the Methods and Deadlines for Their Allocation, Municipality of Prozor-Rama

Moldova

1. Amendment of the Law on Public Finance and Budgetary-Fiscal Responsibility No. 181

Montenegro

1. [Annual Report on the Implementation of the Programme for the Suppression of the Informal Economy 2024–2026](#)
2. [Qualitative and quantitative analysis of the informal economy at the local level](#)

North Macedonia

1. Secondary legislation (by laws) for GMT covering the calculation and collection of the Qualified Domestic Minimum Top-up Tax, the GloBE Information Return, the Top-up Tax Return, and the payment procedures for the Qualified Domestic Top-up Tax

Output 2	Indicators	Baseline 25	2025 Annual Target achieved	Progress Cumulative since 2024
Investing in SDGs Budget (2025): 329,753.02USD 2025 Expenditures*: 242,897.26 USD <i>As of February 17, 2026</i>	2.1 Number of new partnerships supported by the Project <i>Baseline 2024: 0</i>	1	8	9
	2.2 Number of initiatives supported by the Project that attracted private sector or external investments <i>Baseline 2024: 0</i>	0	1	1
Planned activities	Results			
2.1 Needs assessment, monitoring, coordination	n/a			
2.2 UNDP COs projects support	Seven projects were implemented during the reporting period. Six projects were implemented through CO and one regional project was implemented by IRH - Governance and Peacebuilding team. In 2025, six projects were approved by the project board. The projects were approved in two groups. The first group of projects was approved on February 7, 2025 (Bosnia and Herzegovina, Serbia, and Montenegro), and the second group was approved on August 8, 2025 (regional project, Moldova, and Uzbekistan). We continued with the implementation of the project approved in 2024 (North Macedonia). The projects focus on three key areas: energy efficiency, cyber security, and waste management. The projects contribute to SDG goals 7, 9, 11, 12, and 13.			

Indicator 2.1 Number of new partnerships supported by the Project details:

Montenegro

1. Plastiks.io to pilot a blockchain-based solution for EPR compliance and plastic credit issuance.
2. Partnership with Saubermacher.at
3. Partnerships with German Embassy
4. Slovenian Embassy in Montenegro for donations to support the development of the Environmental Education Centre at the landfill

North Macedonia

1. Ministry of Digital Transformation as a project supporter,
2. Public Utility Company (PUC) Komunalec Kavadarci (pilot partner)
3. PUC Hydro System Zletovica (pilot partner)
4. PUC Komunalec Gostivar (pilot partner)

Indicator 2.2 Number of initiatives supported by the Project that attracted private sector or external investments details:

1. Montenegro: City of Podgorica. USD 580 00 for development Waste to Energy feasibility study for Deponia d.o.

Output 3	Indicators	Baseline 2025	2025 Annual target achieved	Progress Cumulative since 2024
Knowledge management Budget (2025): 38,390.58USD 2025 Expenditures*: 23,727.79 USD <i>* As of February 17, 2026</i>	3.1 Number of training/capacity building events attended every year by development cooperation staff of the MFSR disaggregated by sex (with close connection to Slovak ODA Strategy <i>Baseline 2024: 0</i>	6	4	10
	3.2 Satisfaction level and relevance of training offered to the MFSR staff by the project <i>Baseline 2024: 0</i>	Min 50% ¹¹	> 85%	> 85% ¹²
	3.3 Number of events, reports or communication material where Slovak ODA experience on finance is shared annually <i>Baseline 2024: 0</i>	6	15	21
Planned activities	Results			
3.1 MFSR Capacity development	Under the knowledge management component, the project improved the quality and accuracy of ODA statistical reporting, enhanced institutional understanding of global public finance and SDG auditing standards, supporting more informed policy decisions. Staff competencies in project management, leadership, and applied AI were strengthened, contributing to more efficient internal processes. In parallel, broader international engagement and partnerships reinforced Slovakia's visibility and constructive participation in key global platforms.			
3.2 Capacity development events and workshops				
3.3 MFSR financial tools assessment				
3.4 PPFD mid-term & final project evaluation				
	In 2025, UNDP was not requested by the Donor to conduct a project assessment in line with the Project Document; therefore, no activities were carried out under this component.			
	n/a (not planned for 2025)			

Indicator 3.1 Number of training/capacity building events attended every year by development cooperation staff of the MFSR disaggregated by sex (with close connection to Slovak ODA details:

Training	Place	Dates	Number of participants
Learning course: Living change	Bratislava, Slovakia	14 March 2025	7
Learning course: Dealing with difficult situations, Stress Management and burnout prevention	Bratislava, Slovakia	16 May 2025	7
Basic Generative AI Training Becoming a Confident GenAI User: What is AI and how to use it for your work	online	8 – 9 October 2025	10
Learning course to be followed by individual official certification: Project Management P3express	Bratislava, Slovakia	18 November 2025	9
Total: 4 trainings	3x in-person 1x online	Spring Autumn preferred months	33 participants (32 women, 1 man)

¹¹ This indicator defines the requested minimum satisfaction of the project CB activities.

¹² Due to its nature, this indicator cannot be recorded cumulatively.

Indicator 3.2 Satisfaction level and relevance of training offered to the MFSR staff by the project details:See **Annex V**. Knowledge Management – Reflection survey 2025 KM Reflection survey 2025

Name of training	Satisfaction level (0%-100%)	Relevance level (0%-100%)	Overall rating (0%-100%)
Learning course: Living change	90%	80%	85%
Learning course: Leader for self and others: Dealing with difficult situations, Stress Management and burnout prevention	95%	85%	90%
Learning course to be followed by individual official certification: Project Management system P3.express	70%	80%	75%
Basic Generative AI Training Becoming a Confident GenAI User: What is AI and how to use it for your work	100%	100%	100%
Average rate	89%	86%	87.5%

Indicator 3.3 Number of events, reports or communication material where Slovak ODA experience on finance is shared annually:

Event	Place	Dates	Participants
OECD DAC Working Party on Development Finance Statistics	Paris, France	3 – 5 March 2025	Sona Gabcova
Istanbul Innovation Days 2025	Istanbul, Turkey	25-26 March	Martina Kobilicova
PEFA Steering Committee Meeting	Brussels, Belgium	11 -12 June 2025	Eva Horvathova
CEF Governing Board & CEF Forum (2025): Strengthening Institutional Capacity for Reform Implementation and Impact	Bečići, Montenegro	23 June 2025	Alena Kukuckova
OECD DAC Working Party on Development Finance Statistics - Seminar	Paris, France	30 June – 2 July 2025	Sona Gabcova
Ambrela Development Forum 2025: "A World in Transition: Reclaiming Global Partnerships through Dialogue"	Bratislava, Slovakia	16 -17 October 2025	Sona Gabcova Eva Horvathova Alena Kukuckova
5th Ukraine Investment Framework Steering Board Meeting	Brussels, Belgium	23 October 2025	Tatiana Zilkova
5th FMUP Partnership Council Meeting (2025): "Toward Collective Action- Strengthening Fiscal Resilience for People and Planet"	Paris, France	12 December 2025	Eva Horvathova
SDG Auditing Policy Dialogue	Tirana, Albania	4 – 5 December 2025	Alena Kukuckova

Total: 9 events	all in-person	Depends on events schedule	10 participants (all women)
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Public appearances of the MFSR ODA team:

Events where MFSR participated in and Slovak ODA experience on finance was shared including Study visits organized within the PPF project.

Event	Place	Dates	Participant(s)	Area covered
Centre of Excellence in Finance – Advisory Board	online	24 March 2025	Alena Kukuckova	Presentation of comments and insights on the program storylines for 2026-2027.
City Experiment Fund Portfolio Bootcamp	Bratislava, Slovakia	10-11 April 2025	Eva Horváthová (closing remarks)	Onboarding of CEF cities and workshop
Study visit - Montenegro	Bratislava, Slovakia	13–14 May 2025	Alena Kukuckova (opening and introduction)	Macroeconomic and fiscal analyses and projections.
Study visit - Uzbekistan	Bratislava, Slovakia	16–19 June 2025	Alena Kukuckova (opening and closing remarks, moderation)	Green Priorities in Strategic Planning and Budgeting.
National Development Strategy – North Macedonia – Project Board	Skopje, North Macedonia	26 June 2025	Alena Kukuckova (online)	Statement from the Donor on the Progress of NDS Project Implementation
STF Project Board meeting	online	7 November 2025	Eva Horváthová (online)	Opening remarks by the donor

Communication materials

Slovak ODA experience was also publicly shared and presented through:

- PPF website [News - UNDP-SK](#) – **13 new articles** published in 2025
- PPF social media [Facebook](#) and [LinkedIn](#) and partners' social media – **numerous posts (>120)** on social media published throughout 2025

Annex II: Updated Risk Log

Description	Date Identified	Type	Impact & Probability	Counter-measures / Mngt response	Owner	Last Update	Status
1. Changing political priorities of partners	July 2024	Political	Unexpected political developments in partner countries or global developments (e.g. war, pandemic) may cause changes in the (new) government's priorities. These can have an impact on activities that are already being implemented, either by cancelling them, temporarily cancelling them, or delaying their implementation. Likelihood = 3 Impact = 5 Risk level: Substantial	Monitor political developments and assess their impact on the project results / timely response to changes, changes or modifications of implementation plans	Project manager, UNDP COs, Project Board	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
2. Lack of commitments (government and/ middle management at partner institutions) to public finance reforms and to project initiatives	July 2024	Political	Lack of commitments (government or middle management at partner institutions) to public finance reforms and to project initiatives Likelihood = 2 Impact = 4 Risk level: Moderate	Political	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
3. Duplication with other initiatives	July 2024	Strategic	Duplication of activities results in inefficient use of resources Likelihood = 1 Impact = 2 Risk Level: Low	Needs assessments, participation on donor coordination meetings, harmonization with other donors	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
4. Lack of experts with relevant	July 2024	Operational	Number and availability of experts with required experience may not be sufficient Likelihood: 2 Impact: 4	In order to mitigate this risk, the timing of expertise needs must be set correctly in accordance with the time	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.

expertise and/or capacities			Risk Level: Moderate	capacities of experts; the active relations management and communication with experts, including the UNDP expert roster, must be implemented; and existing networks with Slovak and international experts and companies must be fully utilized			
5. Limited interest from Slovak private companies to participate in the project; limited outreach to companies in beneficiary countries	July 2024	Strategic	Lack of interest and expertise reduces participation of Slovak private sector in development cooperation Likelihood: 2 Impact: 3 Risk level: Moderate	Existing networks engaging with Slovak companies will be fully used to mitigate this risk	Project manager, UNDP COs	31 December 2025	This risk did not materialize during the reporting period and, as a result, had no impact on project implementation.
6. Limited Capacity for Blended Finance Implementation	November 2025	Operational	Limited national as well as municipal Capacity for Blended Finance Implementation does not have a direct impact on the implementation of the PPF project ; however, it may limit the ability of beneficiaries, particularly municipalities, to implement follow-up investments expected to build on the support provided under the PPF/SDGi component. Likelihood = 3 Impact = 4 Risk level: Substantial	Integration of targeted municipal capacity-building on blended finance from the project design phase to ensure effective mobilization of follow-up investments	Project manager, UNDP COs	31 December 2025	**As the preparatory phase of future investment projects has not yet been completed, the risk has not materialized; however, there are strong indications that it may emerge.**

Annex III: Multi Year Work Plan (Financial overview)

PROJECT COMPONENTS/OUTPUTS	PLANNED ACTIVITIES	PPFD project budget 2024-2029						Total Amount	Responsible Party	Funding Source	Budget Description
		2024 Expenses	2025 Expenses* (17-Feb 2026)	2026 Budget (revised Feb 2026)	2027 Budget (revised Feb 2026)	2028 Budget (initial)	2029 Budget (initial)				
Component 1: Public Finance for Development	1.1 Needs assessment, monitoring, coordination	6,374.34	13,743.79	19,881.87	50,000.00	50,000.00	20,000.00	160,000.00	IRH	MFSR	Travel Consultants
	1.2 PFM Support to UNDP COs	26,620.15	9,000.63	60,317.81	1,340,000.00	1,400,000.00	500,000.00	3,335,938.59	IRH/UNDP COs	MFSR	Int'l/Ntl Consultants Company services
	1.2.1_Moldova PFM	8,439.17	136,051.49	305,509.34	-	-	-	450,000.00	MLD CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.2_Montenegro PFM	9,086.21	260,157.13	530,756.66	-	-	-	800,000.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.3_Uzbekistan PFM	-	241,448.03	238,551.97	-	-	-	480,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.4_Serbia PFM	-	1,967.62	361,722.38	-	-	-	363,690.00	SRB CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.5_N.Macedonia PFM	6,052.86	259,097.18	234,469.17	70,380.79	-	-	570,000.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
	1.2.6_Bosnia & Herzegovina PFM	-	182,112.56	304,038.44	-	-	-	486,151.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	1.3 Knowledge sharing, promotion & visibility	1,068.55	5,071.73	18,859.72	30,000.00	30,000.00	15,000.00	100,000.00	IRH	MFSR	Audio/Visual production
	1.4 Project Management and office costs	91,577.67	246,991.19	461,431.14	320,000.00	320,000.00	160,000.00	1,600,000.00	IRH	MFSR	Programme Specialist, Programme Associate, PS
	1.5 IRH_Smart Finance for LG (Regional, IRH)	-	13,524.33	113,049.67	39,742.00	-	-	166,316.00	IRH	MFSR	Int'l/Ntl Consultants Company services
1.5 MKD_Smart Finance for LG (Regional, N.Macedonia)	-	4,090.17	252,880.83	269,913.00	-	-	526,884.00	MKD CO	MFSR	Int'l/Ntl Consultants, Company services, Trainings	
Sub-Total for Component 1 (including GMS)		149,218.95	1,373,255.85	2,901,469.00	2,120,035.79	1,800,000.00	695,000.00	9,038,979.59			
Component 2: Investing in SDGs	2.1 Needs assessment, monitoring, coordination	819.98	9,030.09	10,149.93	20,000.00	20,000.00	10,000.00	70,000.00	IRH	MFSR	Travel Consultants
	2.2 UNDP COs projects support (general)	-	1,298.43	9,765.57	501,680.00	800,000.00	160,000.00	1,472,744.00	IRH/UNDP COs	MFSR	Int'l/Ntl Consultants Company services
	2.2.1_Bosnia&Herzegovina SDGi	-	34,661.29	165,338.71	-	-	-	200,000.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.2_Montenegro SDGi	-	49,786.35	149,149.65	-	-	-	198,936.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.3_Uzbekistan SDGi	-	2,254.65	197,745.35	-	-	-	200,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.4_Serbia SDGi	-	7,789.33	167,170.67	25,040.00	-	-	200,000.00	SRB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.5_N.Macedonia-SDGi support	-	65,765.74	134,234.26	-	-	-	200,000.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.6_Moldova-SDGi support	-	7,296.76	192,703.24	-	-	-	200,000.00	MLD CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_IRH_Cyber Security (Regional,IRH)	-	56,463.90	166,856.10	-	-	-	223,320.00	IRH	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_ALB_Cyber Security (Regional,Albania CO)	-	-	33,750.00	-	-	-	33,750.00	ALB CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_BIH_Cyber Security (Regional,BIH CO)	-	-	33,750.00	-	-	-	33,750.00	BIH CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_MNE_Cyber Security (Regional,Montenegro CO)	-	1,933.96	31,816.04	-	-	-	33,750.00	MNE CO	MFSR	Int'l/Ntl Consultants Company services
	2.2.7_MKD_Cyber Security (Regional,N.Macedonia CO)	-	6,616.76	27,133.24	-	-	-	33,750.00	MKD CO	MFSR	Int'l/Ntl Consultants Company services
2.2.8_Uzbekistan_Horticulture & Water systems	-	-	158,240.00	61,760.00	-	-	220,000.00	UZB CO	MFSR	Int'l/Ntl Consultants Company services	
Sub-Total for Component 2 (including GMS)		819.98	242,897.26	1,477,802.76	608,480.00	820,000.00	170,000.00	3,320,000.00			
Component 3: Knowledge Management	3.1 MFSR capacity development	7,609.42	17,959.77	44,430.81	30,000.00	30,000.00	10,000.00	140,000.00	IRH	MFSR	Travel Learning costs
	3.2 Capacity development events and workshops	-	5,768.02	64,231.98	30,000.00	30,000.00	10,000.00	140,000.00	IRH	MFSR	Travel Learning costs
	3.3 MFSR financial tools assessment	-	-	40,000.00	20,000.00	20,000.00	10,000.00	90,000.00	IRH	MFSR	Travel Consultants
	3.4 PPFD mid-term & final project evaluation	-	-	20,000.00	20,000.00	-	40,000.00	80,000.00	IRH	MFSR	Travel Consultants
Sub-Total for Component 3 (including GMS)		7,609.42	23,727.79	168,662.79	100,000.00	80,000.00	70,000.00	450,000.00			
TOTAL PPFD		157,648.35	1,639,880.90	4,547,934.55	2,828,515.79	2,700,000.00	935,000.00	12,808,979.59	-	-	-

*as per AAA report dated 17 February 2026

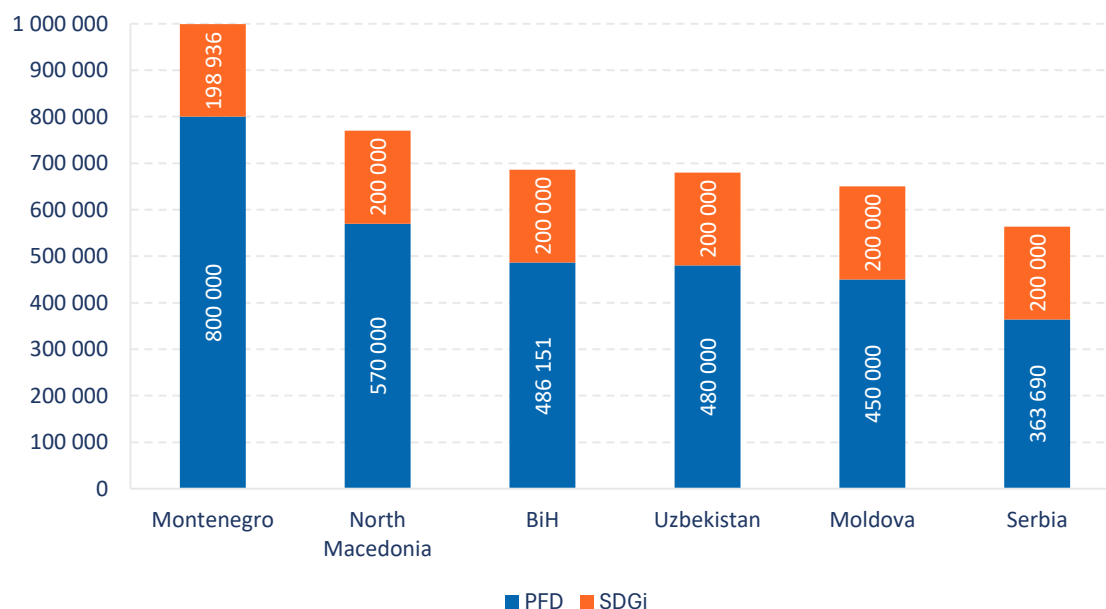
12,375,000.00 PPFD 2024+ project budget (as per ProDoc)

433,979.59 Leftover from the previous project phase (2017- June 2024)

12,808,979.59 PPFD Total project budget incl. leftover

Annex IV: Overview of PFD and SDGi projects and funding approved in 2024-2025

Funding by countries



Country	PFD	SDGi	Total PFD funding for the country
BiH	486 151	200 000	686 151
Moldova	450 000	200 000	650 000
Montenegro	800 000	198 936	998 936
North Macedonia	570 000	200 000	770 000
Serbia	363 690	200 000	563 690
Uzbekistan	480 000	200 000	680 000

*This overview does not include two regional projects.

Divided by project components, PFD and SDGs, and in alphabetical order.

PFD - PUBLIC FINANCE FOR DEVELOPMENT				
COUNTRY	PROJECT TITLE	APPROVED BY PB	PPFD FUNDING IN USD	PROJECT INTERVENTION/COMPONENT/RESULT FOR SDGI
BOSNIA AND HERZEGOVINA	Building Efficient and Transparent Local Public Finance System in Bosnia and Herzegovina project	28 October 2024	486,151	<ol style="list-style-type: none"> Asset management Revenue, expenditures, and internal controls Green and gender responsive public procurement
MOLDOVA	Public Finance for Development in Moldova project	28 Oct 2024	450,000	<ol style="list-style-type: none"> Budgeting, including alignment of public financial flows to finance SDGs using the spending reviews critical tool for prioritizing expenditures and

				<p>reallocating limited government resources,</p> <ol style="list-style-type: none"> Alignment of tax and fiscal policies with the SDGs
MONTENEGRO	Strengthening public finance management in Montenegro	28 Oct 2024	800,000	<ol style="list-style-type: none"> Regulatory impact and policy coordination, specifically support to implementation of Regulatory Impact Assessment (RIA) and within the fight against informal economy, project will provide monitoring and evaluation of the 2024-2026 <i>Programme for the Suppression of the Informal Economy</i> strengthening the macroeconomic analyses and fiscal planning Local governments finance management Modernization of public sector accounting Smart finance support
NORTH MACEDONIA	Support to Public Finance Management Reform in North Macedonia	28 Oct 2024, Cost extension in Nov 2025	570,000	<ol style="list-style-type: none"> Reducing the Informal Economy, Corruption and Tax Evasion focusing on enhancing tax compliance and efficiency, aiming to reduce the informal economy, corruption, and tax evasion by strengthening the administrative capacities of the Ministry of Finance, the State Audit Office, and the Public Revenue Office). Fiscal Decentralization promoting fiscal decentralization, empowering local governments to effectively manage resources, deliver inclusive essential services, and support balanced regional development. Monitoring and Auditing for National Development Strategy Implementation, including the establishment of a comprehensive monitoring framework to track progress, adapt strategies, and strengthen the capacity of the State Audit Office to conduct thorough audits, ensuring value for money and alignment with the SDGs in public sector initiatives.
SERBIA	Chapter 16: Strengthening Taxation in Serbia	13 Nov 2025	363,690	<ol style="list-style-type: none"> Mapping EU tax directives Correlation tables - documenting legal transposition of EU directives Experts support Drafting Law Assistance to working groups Public Consultations
UZBEKISTAN	Public Finance for Development in Uzbekistan	5 Feb 2025	480,000	<ol style="list-style-type: none"> Integration of SDGs into Strategic Planning and Public Budgeting in Uzbekistan

				<ol style="list-style-type: none"> 2. Integration of green development priorities into strategic planning and budgeting 3. Capacity Building to promote program budgeting
REGIONAL PROJECT:	PFD Smart Finance for Accountable Local Governance NORTH MACEDONIA, MONTENEGRO, SERBIA, BIH, ALBANIA, MOLDOVA	8 Aug 2025	693,200	<ol style="list-style-type: none"> 1. SDG Auditing 2. Corruption prevention 3. Innovative measures for transparency (internal controls and audits)
SDGI – INVESTING IN SDGS				
COUNTRY	PROJECT TITLE	APPROVED BY PB	PPFD FUNDING IN USD	PROJECT INTERVENTION / COMPONENT / RESULT FOR SDGI
BOSNIA AND HERZEGOVINA	Energy Efficiency in Bosnia and Herzegovina Industry	5 Feb 2025	200,000	<ol style="list-style-type: none"> 1. A Pool of Certified Energy Auditors is established, supported by a comprehensive training methodology and programme to ensure compliance with standards set by the relevant authority responsible for licensing and certification 2. Comprehensive Energy Audits for Investment are developed, enabling informed decision-making on energy efficiency measures in priority industries 3. B2B collaboration is established
MOLDOVA	Renewable energy in Moldova	8 Aug 2025	200,000	<ol style="list-style-type: none"> 1. Investment-ready photovoltaic projects prepared for three LPA clusters 2. Local capacity and private sector engagement strengthened for implementation
MONTENEGRO	ReWaste: Reducing Waste and Rethinking Waste Management in Montenegro	5 Feb 2025	198,936	<ol style="list-style-type: none"> 1. Optimization of Internal Structures and Processes of Waste Management Companies 2. Attracting Investments for efficient and effective waste management 3. Improving Awareness and Active Participation
NORTH MACEDONIA	Enhancing Cybersecurity in Water Services Management in North Macedonia (2024)	28 Oct 2024 Revision in Nov 2025	200,000	<ol style="list-style-type: none"> 1. Feasibility of Context-Specific Cybersecurity Measures in North Macedonia’s Water Service Providers is Achieved 2. Piloting of Cybersecurity Measures Across Target Water Service Providers is Achieved
SERBIA	Geothermal Energy in Serbia	5 Feb 2025	200,000	<ol style="list-style-type: none"> 1. Developed bank investment proposals for integrating geothermal energy into the energy mix of two public entities

				<ol style="list-style-type: none"> 2. Enhanced national capacities for expanding the use of geothermal in heating/cooling systems 3. Established partnerships between Serbian and Slovak companies and institutions
UZBEKISTAN	Energy Audits - Unlocking energy efficiency potential of public building in Uzbekistan	8 Aug 2025	200,000	<ol style="list-style-type: none"> 1. Enabling Environment for Energy Auditor Certification and Involving Private Sector to the Market 2. Capacity Development for Certification System Operationalization 3. Multi-Stakeholder Dialogue for Private Sector Participation in Energy Auditing Activities
REGIONAL PROJECT:	Strengthening Cybersecurity for a Resilient Digital Future ALBANIA, NORTH MACEDONIA, MONTENEGRO, BIH	8 Aug 2025	358,320	<ol style="list-style-type: none"> 1. Regional assessment of Cyber Security in Energy sector 2. Capacity building plan for NIS2 implementation 3. Regional Cooperation and Knowledge Exchange 4. Country Specific Cybersecurity Capacity and Resilience Framework for the Energy Sector

Annex V. Knowledge Management – Reflection survey 2025

(REFLECTION SURVEY 2025)

Project: Public and Private Finance for Development Project

Assessor: Ministry of Finance of the Slovak Republic (Development Cooperation staff)

I. General assessment of undertaken Knowledge Management activities (PPFD Indicator 3.1¹³)

During the reporting period, we were actively involved in a broad range of Knowledge Management activities, including learning courses, policy dialogues, international meetings, and professional training, which enhanced our professional development and daily work.

Participation in learning courses such as *Living Change* and *Leader for Self and Others: Dealing with Difficult Situations, Stress Management and Burnout Prevention* strengthened our resilience, leadership skills, and capacity to navigate change and challenging work situations.

The *Generative AI* trainings enhanced our practical skills in using AI tools for drafting, data analysis, and knowledge sharing, which increased our work efficiency and productivity.

The *Project Management P3express* learning course provided structured project management methodologies and tools, supporting more effective planning, implementation, and monitoring of activities, with direct relevance to our involvement in project-based work.

Engagement in international policy and coordination platforms such as the OECD DAC Working Party on Development Finance Statistics, PEFA Steering Committee Meeting, CEF Governing Board, Ukraine Investment Framework Steering Board, FMUP Partnership Council, II Days 2025, and SDG Auditing Policy Dialogue expanded our technical knowledge, policy awareness, and understanding of development cooperation trends and best practices, while supporting partnership-building and collaborative initiatives.

Overall, these Knowledge Management activities were highly relevant and useful, contributing to enhanced technical expertise, leadership capacity, innovation readiness, and effective engagement in international and regional cooperation processes.

II. Knowledge Management impact, sustainability, and benefits for Development cooperation staff (PPFD Indicator 3.1¹)

The Knowledge Management activities completed during the reporting period had a clear and positive impact on our professional development and day-to-day work. They contributed to the development of personal, transferable, and technical skills that are directly used in development cooperation tasks.

a) Personal professional development

Trainings such as *Living Change* and *Leader for Self and Others: Dealing with Difficult Situations, Stress Management and Burnout Prevention* supported personal development by strengthening self-management, resilience, and the ability to work effectively under pressure. These skills have been applied in practice when managing multiple tasks, responding to demanding situations, and maintaining constructive working relationships. Participation in international meetings and

¹³ Indicator 3.1. Number of training/capacity building events attended every year by development cooperation staff of the MFSR disaggregated by sex (with close connection to Slovak ODA Strategy)

steering committees also increased the confidence and professionalism when engaging in high-level policy discussions.

b) Transferable skills gained

Transferable skills were mainly developed through participation in international forums and policy dialogues, including the OECD DAC Working Party on Development Finance Statistics, PEFA Steering Committee meeting, CEF Governing Board, the Ukraine Investment Framework Steering Board, FMUP Partnership Council, II Days 2025, and the SDG Auditing Policy Dialogue. These events strengthened, aside from technical expertise, also skills in communication, coordination, negotiation, and stakeholder engagement. Leadership-focused trainings further improved teamwork, conflict management, and effective communication, which are applicable across different roles and work areas.

c) Technical skills gained and used

Concrete technical skills were gained through both formal trainings and thematic events. The *P3express Project Management* course improved our ability to plan activities, set timelines, and monitor progress in project-based work. Participation in OECD DAC enhanced understanding of development statistics and international reporting standards, which are directly relevant to our work. The *Basic Generative AI Training* and *Becoming a Confident GenAI User* course provided practical skills in using AI tools for drafting, data analysis, and knowledge management, contributing to improved efficiency.

d) Training modalities – assessment and preferences

The combination of in-person and online training modalities was effective. In-person trainings and international meetings allowed for deeper discussion, practical exchange, and networking. Online courses and webinars were flexible and efficient, especially for learning new tools of the generative AI. Short, focused online trainings were particularly useful for practical skills, while longer in-person courses were better suited for leadership and project management topics. A blended approach is therefore preferred.

e) Sustainability and knowledge transfer

The sustainability of the acquired knowledge is ensured through its regular use in ongoing work tasks. Knowledge and skills can be further shared through internal discussions, short presentations to colleagues, and informal peer learning. Continued participation in international working groups and professional networks also supports long-term knowledge use and helps keep skills up to date, benefiting both the organization and the wider development cooperation community.

III. Overall satisfaction with trainings organized within the PPF project (PPFD Indicator 3.2¹⁴)

Name of training	Satisfaction level (0%-100%)	Relevance level (0%-100%)	Overall rating (0%-100%)
Learning course: Living change	90%	80%	85%
Learning course: Leader for self and others: Dealing with difficult situations, Stress Management and burnout prevention	95%	85%	90%
Learning course to be followed by individual official certification: Project Management system P3.express	70%	80%	75%
Basic Generative AI Training Becoming a Confident GenAI User: What is AI and how to use it for your work	100%	100%	100%

IV. Events, reports or communication material where Slovak ODA experience on finance is shared annually (PPFD Indicator 3.3¹⁵)

Capacity building events for MF SR Development Cooperation Team supported by UNDP:

Event	Place	Dates	Participants	Area covered
OECD DAC Working Party on Development Finance Statistics	Paris, France	3 – 5 March 2025	Sona Gabcova	Development statistics and international ODA reporting standards
Istanbul Innovation Days 2025	Istanbul, Turkey	25-26 March	Martina Kobilicová	Innovative institutional designs and governance models foster resilience, security, adaptability in an era of poly crisis.
PEFA Steering Committee Meeting	Brussels, Belgium	11 -12 June 2025	Eva Horvathova	Public Finance Management
CEF Governing Board & CEF Forum (2025): Strengthening Institutional Capacity for Reform Implementation and Impact	Bečići, Montenegro	23 June 2025	Alena Kukuckova	Institutional capacity building, governance and public administration reform, PFM, reform implementation, and EU integration processes
OECD DAC Working Party on Development Finance Statistics Seminar	Paris, France	30 June – 2 July 2025	Sona Gabcova	Development statistics and international ODA reporting standards
Ambrella Development Forum 2025: "A World in Transition: Reclaiming Global Partnerships through Dialogue"	Bratislava, Slovakia	16 -17 October 2025	Sona Gabcova Eva Horvathova Alena Kukuckova	Global partnerships, international dialogue, and cooperation in response to geopolitical, economic, and societal transitions.

¹⁴ Indicator 3.2 Satisfaction level and relevance of trainings offered to the MFSR staff by the project

¹⁵ Indicator 3.3 Number of events, reports or communication material where Slovak ODA experience on finance is shared annually

5 th Ukraine Investment Framework Steering Board Meeting	Brussels, Belgium	23 October 2025	Tatiana Zilkova	Governance and strategic oversight of the UIF, coordinating investments, reforms, and international support for Ukraine's recovery and economic resilience.
5 th FMUP Partnership Council Meeting (2025): "Toward Collective Action- Strengthening Fiscal Resilience for People and Planet"	Paris, France	12 December 2025	Eva Horvathova	Fiscal resilience and sustainable public finance.
SDG Auditing Policy Dialogue	Tirana, Albania	4 – 5 December 2025	Alena Kukuckova	SDG auditing and local governance.

Public appearances of the MFSR ODA team:

Events where MFSR participated in and Slovak ODA experience on finance was shared including Study visits organized within the PPF project.

Event	Place	Dates	Participant(s)	Area covered
Centre of Excellence in Finance – Advisory Board	online	24 March 2025	Alena Kukuckova	Presentation of comments and insights on the program storylines for 2026-2027.
City Experiment Fund Portfolio Bootcamp	Bratislava, Slovakia	10-11 April 2025	Eva Horváthová (closing remarks)	Onboarding of CEF cities and workshop
Study visit - Montenegro	Bratislava, Slovakia	13–14 May 2025	Alena Kukuckova (opening and introduction)	Macroeconomic and fiscal analyses and projections.
Study visit - Uzbekistan	Bratislava, Slovakia	16–19 June 2025	Alena Kukuckova (opening and closing remarks, moderation)	Integrating Green Priorities into Strategic Planning and Budgeting.
National Development Strategy – North Macedonia – Project Board	Skopje, North Macedonia	26 June 2025	Alena Kukuckova (online)	Statement from the Donor on the Progress of NDS Project Implementation
STF Project Board meeting	online	7 November 2025	Eva Horváthová (online)	Opening remarks by the donor

V. Recommendations

To further strengthen the capacity and impact of the Development Cooperation team, future Knowledge Management activities should focus on a combination of practical skills, leadership development, and tools that enhance efficiency and collaboration. Continuous learning and enhancement of team's knowledge on PFM issues such as **blended finance, sustainable finance, ODA statistics, innovative financial mechanisms** would be highly valued. Practical, **hands-on training in Generative AI** should be continued and expanded.

Leadership and personal development programs may include **emotional intelligence training**, enhancing self-awareness, empathy, decision-making, and collaboration in day-to-day work.

To better communicate the importance of PFM reforms, **training in communication, marketing, and storytelling** would help translate complex issues into clear and engaging messages for stakeholders. **Intercultural communication training** would further strengthen cooperation with diverse international partners.

By integrating technical expertise, emotional intelligence, effective communication, and intercultural skills, future KM activities can remain relevant, sustainable, and directly supportive of both professional development and the team's contribution to development cooperation.