PROJECT DOCUMENT
Republic of Serbia

Project Title: Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2 – Government Cost-Sharing (GCS)
Project Number: 01004830 / 1482421
Implementing Partner: Ministry of Environmental Protection
Start Date: 11 December 2025 **End Date: 11 December 2028** **PAC Meeting date: 09 October 2025**

Brief Description
With GEF support, Serbia aims to improve tracking and reporting of its climate actions by enhancing national institutional and technical capacities. This includes better coordination among stakeholders, improving technical skills, and strengthening information management systems. The project addresses the need for efficient monitoring of Nationally Determined Contributions (NDC) mitigation and adaptation actions. The project will result in enhanced compliance with the Paris Agreement's Enhanced Transparency Framework (ETF), better GHG inventory reporting, and improved adaptation-related data. It will strengthen Serbia's climate change regulatory and policy framework, enhancing transparency and accountability of its 2025 Nationally Determined Contributions (NDC 3.0). The project will directly provide benefits to 550 individuals, with 51% female representation, mainly institutional representatives involved in ETF activities at national and local levels, as well as business and civil society sectors. Achievements in strengthening technical developments and institutional arrangements will enhance national reporting and planning for the UNFCCC. This will improve GHG emissions reporting in National Communications (NC) and Biennial Transparency Reports (BTRs) across Serbia, focusing on both climate change mitigation and adaptation.

Contributing Outcome (UNSDCF, CPD, RPD):	**Total resources required:**	210,000.00	
CPD Outcome 3. Strengthen resilience to shocks and crises CPD Outcome 1: Structural transformation accelerated, particularly green, inclusive, and digital transitions	**Total resources allocated:**		
		UNDP TRAC:	0.00
		Donor:	0.00
Indicative Output(s) with gender marker: GEN2		**Government:**	66,000.00
		Gov In-Kind:	40,000.00
	Unfunded :	144,000.00	

Agreed by:

Government	UNDP
Print Name: Sara Pavkov, Minister, Ministry of Environmental Protection	Print Name: Yakup Beris, UNDP RR
Date: 01.12.2025.	Date: 01/12/2025

DEVELOPMENT CHALLENGE

Serbia has expressed strong commitment to addressing climate change and has set specific targets for reducing greenhouse gas emissions and increasing resilience to climate impacts. Serbia signed the UNFCCC in 2001 and joined the Paris Agreement on August 24, 2017. As a Party to the UNFCCC, Serbia is committed to implementing policies and measures to adapt to and mitigate climate change, aligning with the Convention's objective. By April 2024, the Serbian Government has submitted three National Communications (NC1 in 2010, NC2 in 2017, and NC3 in 2024) and two Biennial Update Reports (BUR1 in 2016 and BUR2 in 2023), with the financial and technical support from the Global Environment Facility (GEF) and the United Nations Development Programme (UNDP), accordingly. Serbia updated its Nationally Determined Contribution (NDC) in 2022, aiming for a 13.2% reduction in GHG emissions compared to 2010 or 33.3% compared to 1990 levels by 2030. In 2024, the country has adopted a National Adaptation Plan (NAP) for the period 2023-2030 with a three-year action plan to address climate change impacts across various sectors. Serbia's first Biennial Transparency Report (BTR1) is in the process of development, under the GEF-funded BTR1 + BTR2/4NC project.

As one of the first Capacity-building Initiative for Transparency (CBIT) projects globally, Republic of Serbia implemented the GEF-funded project "Establishing Transparency Framework for the Republic of Serbia" (GEF ID 10029)" during the period 2019-2022. The CBIT 1 (GEF ID 10029) mostly addressed the following areas: enhancing the national transparency framework; strengthening institutional capacities on national and local levels in the areas of GHG inventory, mitigation and adaptation; developing the Monitoring, Reporting and Verification of Climate Change Information System (MRV-CIS) system as a tool for monitoring and regular updating of country's NDC; adopting Serbia's Climate Change Law and relevant by-laws.

Sustained by the CBIT 1 (GEF ID 10029) and the recommendations for improvement provided within the UNFCCC's International Consultation and Analysis process (ICA), the implementation of previous CBIT and Enabling Activities (NCs, BTRs) have resulted in:

a) development of comprehensive national climate change regulatory and policy frameworks, such as Serbia's Law on Climate Change and the Low-Carbon Development Strategy (LCDS);
b) improvement of the country's institutional capacities to deal with climate change-related issues;
c) strengthened individual capacity of climate research experts, academia and non-governmental organizations in Serbia;
d) strengthened transparency system and processes and
e) enabling Serbia to considerably advance in aligning the climate change and energy frameworks i.e. the Integrated National Energy and Climate Plan (NECP) that covers the period by 2030, with climate neutrality seen in 2050.

However, challenges persist in fully implementing and enforcing strategies and laws, which can be attributed to weak enforcement mechanisms and high staff turnover in governmental institutions. Moreover, while progress has been made in the adoption of policy/regulatory frameworks, these need to be strengthened to comply with the latest ETF requirements and support faster decarbonization of the country. Additionally, institutional capacities require enhancement to effectively drive climate action and investments. The presence of state-owned enterprises, particularly in high-emitting sectors, necessitates stronger accountability and stakeholder engagement mechanisms.

As a European Union (EU) candidate country, Serbia endorsed the Green Agenda for the Western Balkans (Sofia Declaration) in November 2020, thus committing to a number of actions such as: (1) introducing carbon pricing instruments and market-based renewables support schemes; (2) working towards phasing out coal subsidies and (3) making the Europe continent carbon-neutral by 2050 together with the European Union through mainstreaming a strict climate policy and reforming energy and transport sectors. The European Commission's 2023 Report for Serbia[1] highlights some progress in environmental and climate change areas, emphasizing the need to enhance administrative, technical and financial capacities of central and local authorities. The report also calls for improved inter-institutional coordination, increased staff levels, and continued efforts to raise environmental investments. To meet these needs, a coordinated institutional structure is essential, which would enable integrating climate action across sectors and modernizing and simplifying sector structures and institutions. Additionally, aligning the Law on planning and construction with international standards,

[1] Source: https://neighbourhood-enlargement.ec.europa.eu/document/download/9198cd1a-c8c9-4973-90ac-b6ba6bd72b53_en?filename=SWD_2023_695_Serbia.pdf

implementing the Action Plan for Administrative Capacity Development, and executing the Low Carbon Development Strategy are crucial steps outlined in the report for Serbia.

The Terminal Evaluation (TE) Report[2] of Serbia's CBIT 1 (GEF ID 10029) evaluated the project to have a satisfactory level of performance. The national Measurement, Reporting and Verification Information Technology (MRV-CIS) system is one of the main products of the project, but although the system has been migrated to the Ministry of Environmental Protection (MoEP) server, its operationalization is still strongly affected by the instalment of new hardware and limited human capacities. The TE also highlighted several needs and recommendations, such as:

- Establish a dedicated MRV unit sitting in MoEP to materialize national ownership of the MRV-CIS system and reinforce implementation of the new Law on Climate;
- Complement the MRV framework to capture local adaptation actions and to provide in-depth sectorial elaboration for energy, agriculture, forestry, health etc.;
- Improve the absorption capacity and resilience against loss of knowledge and institutional memory in the key national institutions;
- Develop a methodology for identification of the level of the capacity built and conducting the training's evaluation;
- Use Specific, Measurable, Achievable, Relevant, and Time-Bound (SMART) log frame in future projects;
- Turn some of the training material and manuals into interactive self-learning tools and enhance the cooperation with National Academy for Public Administration (NAPA) regarding accredited courses in the field of climate change;
- Initiate cooperation with national institutions responsible for other relevant international reporting requirements like SDGs, Sendai Framework for Disaster Risk Reduction, as well as at EU energy and climate reporting under Energy Community;
- Introduce peer to peer or mentorship training for municipalities on preparation of Local Adaptation Plans or integrate climate adaptation measures into local policy and planning documents (based on methodology for Local Adaptation Plan developed under the CBIT 1 (GEF ID 10029),
- Design new training modules, such as: Carbon Budget Tagging in consultation with the Ministry of Finance and Local Self Governments; Climate change trainings for media; Training to MoEP and other relevant ministries on the use of the improved data that will be available through MRV-CIS system in policy design and decision making in various areas;
- Provide technical support, such as Lead Technical Advisor, to offer the following: specialized knowledge and expertise in subsequent project, rigorous monitoring and supporting the project activities, Quality Assurance & Quality Control of deliverables, coordination of the knowledge and communication flows among the engaged experts;
- Reinforce benefits from the CBIT 1 (GEF ID 10029)'s support by improving the knowledge management, maintaining and enhancing linkages and exchanges with other relevant platforms and information systems, harmonizing and contributing to other relevant international reporting requirements, as well as devising new projects based on the experience and knowledge gathered from the CBIT 1 (GEF ID 10029), as well as
- Utilize the CBIT gender sensitive Monitoring Framework for development of gender responsive methodologies and the Guidelines for improving national climate change adaptation planning sets a solid foundation for inclusive and effective climate action that should be further expanded.

The TE report identified the risk of human knowledge losses as critical due to the dropout of trained staff in key governmental institutions. Finally, regarding gender-related issues, the TE recommends scaling up of the training modules for following seven thematic areas: (1) Participation in decision-making and policy design; (2) Access to resources; (3) Economy and employment; (4) Consumption, lifestyles and living conditions; (5) Education; (6)Health and health protection; (7) Climate change knowledge, attitudes and behavior.

The project **"Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2"** aims to further enhance Serbia's ability to fulfill its climate change reporting obligations. Building on the successes and lessons learned from previous initiatives, the project focuses on several key areas. It seeks to strengthen Serbia's policy and regulatory framework related to climate change reporting, ensuring alignment with the ETF requirements and integrating gender considerations. Moreover, the

[2] Terminal Evaluation Report for the project "Establishing Transparency Framework for the Republic of Serbia" (GEF ID 10029) dated 8 June, 2022

project aims to enhance Serbia's Climate Change Transparency System by improving the MRV-CIS system and enhancing data collection and transparency of climate actions and finance. In addition to these efforts, the project focuses on capacity building to support transparency-related activities over time. This includes strengthening the capacities of government personnel and key stakeholders and developing institutional arrangements for a sustainable national transparency framework. The project also emphasizes climate change communication to enhance knowledge sharing and information dissemination, by supporting development of a gender-sensitive communication plan and partnerships with civil society organizations to support its implementation. Through these efforts, the project aims to contribute to Serbia's effective implementation of climate change policies and actions, ultimately supporting its transition to a low-carbon, climate-resilient economy.

This project aligns closely with Serbia's priorities and its current landscape of investments in climate change and sustainability, particularly in the context of climate change and sustainable development. Strengthening capacities to comply with the Enhanced Transparency Framework under the Paris Agreement is a key priority for Serbia, as it enables the country to effectively track progress, report on its climate actions (especially those set in Serbia's NDC), and access international support. In summary, this project directly supports Serbia's priorities by strengthening its capacity to address climate change, enhancing governance and institutional capacity, and contributing to the Sustainable Development Goals. It builds upon existing initiatives by leveraging lessons learned from previous projects in the country and region, as well as globally (for more details, see the section RESULTS AND PARTNERSHIPS: Innovativeness, Sustainability and Potential for Scaling Up). By integrating these insights, the project is designed to be more effective and impactful, contributing to the country's ongoing efforts in addressing climate change.

STRATEGY

The **project objective** is to enhance Serbia's capacity to comply with the ETF under the Paris Agreement, specifically through the Capacity Building Initiative for Transparency, by strengthening Serbia's Policy and Regulatory Framework for transparent climate change reporting, utilizing country-specific tools and data to enhance the Climate Change Transparency System, building institutional and individual capacities for transparent climate policy implementation, and improving Monitoring and Evaluation (M&E) and Knowledge Management practices.

In the absence of this project, Serbia will likely continue to face significant challenges in complying with ETF under the Paris Agreement. Weak enforcement mechanisms, limited capacities and competences, and insufficient policy and regulatory frameworks would persist, hindering the country's ability to effectively monitor, report, and manage climate change actions. The lack of a strengthened Policy and Regulatory Framework, as well as the absence of enhanced institutional and individual capacities for transparent climate policy implementation, would result in a continued gap in Serbia's climate change transparency and reporting mechanisms. This would impede Serbia's ability to achieve its Nationally Determined Contributions (NDCs) and slow down the decarbonization process. Consequently, the global environmental benefits of reduced greenhouse gas emissions and improved climate resilience would be undermined.

The project's **Theory of Change** (see Figure 1) is based on several key elements. First, it starts with the recognition of the challenges Serbia faces in complying with the ETF under the Paris Agreement, including weak enforcement mechanisms, limited capacities and competences, and the need for strengthened policy and regulatory frameworks. The project aims to address these challenges by strengthening Serbia's policy and regulatory framework for transparent climate change reporting, enhancing stakeholders' capacity to monitor and report on climate actions.

The theory of change demonstrates that by enhancing Serbia's transparency and reporting mechanisms, including monitoring and implementing Nationally Determined Contributions (NDCs), the country will be better equipped to enforce climate policies and measures, accelerating decarbonization. The project aims to strengthen Serbia's Policy and Regulatory Framework for transparent climate change reporting by utilizing country-specific tools and data to enhance the Climate Change Transparency System. It also focuses on building both institutional and individual capacities for transparent climate policy implementation, as well as improving Monitoring and Evaluation (M&E) and Knowledge Management practices. These efforts are crucial for ensuring that Serbia can effectively monitor, report, and manage its climate actions, resulting in a more robust and transparent climate change governance structure. Ultimately, the project will advance Serbia's progress in achieving its NDCs and contribute to global environmental goals. The project's logic is depicted in Figure 1 below.

The proposed CBIT 2 project is consistent with all recent climate change policy documents of Serbia (stipulated in the previous chapter) and shall significantly improve climate change reporting and transparency in Serbia. Additionally, the project shall: address numerous capacity building needs as well as recommendations from the TE report of The CBIT 1 (GEF ID 10029) (summarized in DEVELOPMENT CHALLENGE chapter); design and implement a comprehensive Training Program tailored to the needs of Serbia's institutions, public enterprises and the industry sector (for example, regarding their legal obligations relevant to climate change: MRV, GHG emissions, EU's Carbon Border Adjustment Mechanism).

Serbia's CBIT 2 project will further operationalize and upgrade the national MRV-CIS system to support improved availability and quality of climate change-related data and information, as well as system' accessibility and usage across institutions. The operationalization of the MRV-CIS system will enhance transparency in the development of national public policy documents, reports (such as National Communications, Biennial Update Reports, Nationally Determined Contributions) and monitoring of implementation of policies and measures (including the Low Carbon Development Strategy, National Energy and Climate Plan and other sectorial policies). The project will also consider integration of relevant larger scale investments and projects into monitoring and reporting system (such as projects on energy efficiency in buildings, renewables, industrial processes and others).

Serbia's CBIT 2 project offers an opportunity to generate evidence on the interlinkages between climate change, gender equality, and other socio-economic factors. It advocates for women's participation in decision-making processes, improves knowledge, and strengthens national and local capacities to understand and address the intersection of climate change and the specific needs of both women and men. By mainstreaming gender considerations into the NDC 3.0 framework, the project aims to ensure a more inclusive and effective approach in designing and implementing climate policies.

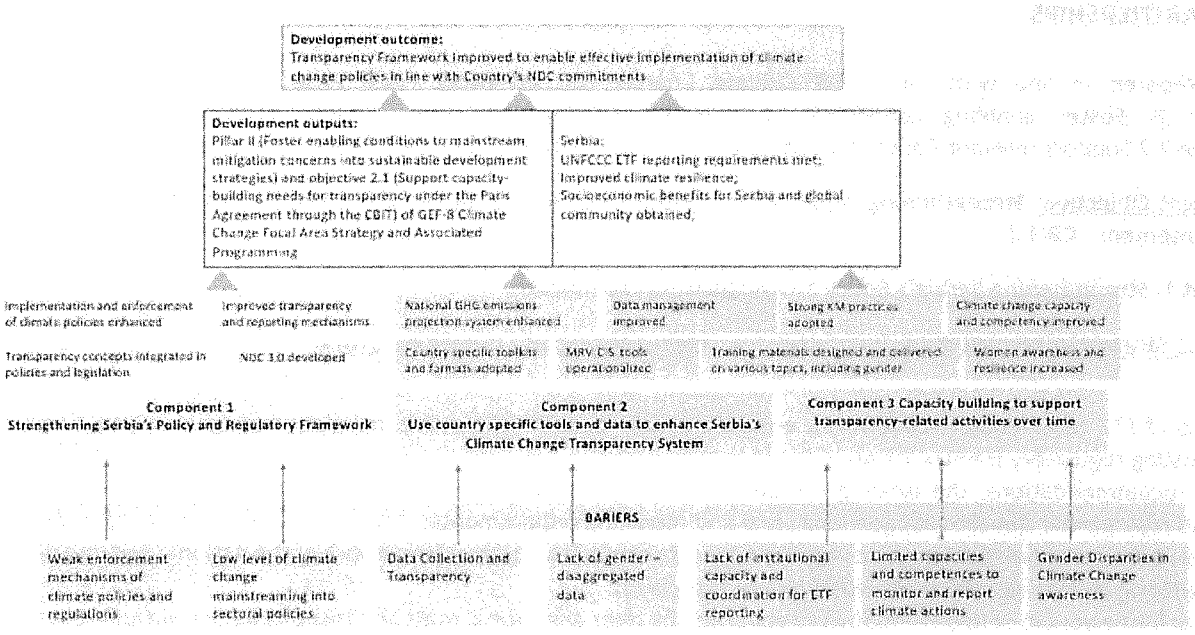


Figure 1. Theory of Change diagram

The project is designed to be cost-effective by leveraging existing resources (especially with the ongoing BTR1 and NC4/BTR2 project) and capitalizing on institutional networks and working relations built during the NC, BUR, NDC and CBIT processes, thus maximizing the impact of every dollar spent. By avoiding redundancy and ensuring efficient use of resources, the project reduces overall costs associated with climate reporting and compliance. Ultimately, the project will contribute to Serbia's progress in achieving its Nationally Determined Contributions (NDCs) and advancing global environmental goals, demonstrating that comprehensive climate governance can be achieved in a financially sustainable manner.

All components of the project will ensure that lessons learned from relevant projects and other countries inform the implementation of this project. In this sense, the institutional arrangements will ensure that lessons are considered across ministries and sectors, with all relevant stakeholders providing inputs to and learning from the project. Synergies will be built with the ongoing development projects stipulated in the RESULTS AND PARTNERSHIPS chapter (see Table 2).

RESULTS AND PARTNERSHIPS

This project is prepared in line with the GEF-8 Climate Change (CC set-aside) Focal Area Strategy and Associated Programming/Pillar II: Foster enabling conditions to mainstream mitigation concerns into sustainable development strategies/Objective 2.2 Support relevant Convention obligations and enabling activities; and following goals and objectives:

Project Development Objective: Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2

Project Component 1. Strengthening Serbia's Policy and Regulatory Framework

Project Outcome 1.1 Strengthened regulatory framework for transparent climate change reporting

Project Outputs:

1.1.1. An analysis of ETF requirements conducted, ensuring gender considerations are included, and recommendations for improving the existing regulatory framework provided;
1.1.2. Based on recommendations, the existing climate change regulatory framework strengthened to align with the ETF requirements and transparent climate change monitoring and reporting requirements;
1.1.3. An analysis of the potential to integrate climate change into sectoral legislative framework at the national and local levels conducted, considering gender-specific vulnerabilities and capacities;
1.1.4. Institutional framework in Serbia strengthened governed by clear and formal roles and responsibilities, including specific suggestion how to improve gender balance in governance.

Under this project output, the following activities will be undertaken:

- Review the existing climate change regulatory framework to identify gaps in alignment with ETF requirements and NDC tracking;
- Conduct an in-depth gap analysis of ETF requirements and NDC tracking, with a specific focus on ensuring gender considerations;
- Engage with key stakeholders, including women's groups and financial experts, to gather insights and recommendations;
- Identify gaps and areas for improvement in the current regulatory framework;
- Research best practices in other countries that have successfully integrated ETF requirements and carbon pricing mechanisms;
- Compile findings and recommendations into a detailed report for improving the existing regulatory framework to align with the latest ETF requirements and NDC tracking, potentially embracing new financial instruments, such as carbon pricing, to enhance transparency and effectiveness. This may also include sector-specific recommendations such as on energy efficiency, renewables, construction, transport, Agriculture, Forestry and Other Land Use (AFOLU), industry and others;
- Conduct a thorough assessment of the existing sectoral legislative framework to identify integration points for adaptation measures, with specific recommendations how to improve alignment (where possible and needed);
- Clearly outline the existing and needed governance structure for transparency activities and NDCs tracking/reporting: people needed, their roles and responsibilities to increase effectives, including specific suggestions how to ensure gender balance in governance structures to promote diversity and inclusivity;
- Work with policymakers to draft the necessary legislative amendments, in particular for sectoral legislative frameworks at both national and local levels, with special attention given to gender-specific vulnerabilities and capacities to ensure a more inclusive approach to climate change adaptation.

Project Outcome 1.2 Strengthened policy framework for transparent climate change reporting

Project Outputs:

1.2.1 The policy framework for tracking, monitoring, and transparently reporting on Serbia's 2025 NDC (NDC 3.0) implementation is strengthened, enhancing transparency and accountability of its climate actions;

1.2.2 Mechanisms for assessing and reporting the socioeconomic and gender impacts of climate policies and actions are proposed, along with a system for tracking support needed and received.

Under this project output, the following activities will be undertaken:

- Develop a comprehensive framework for tracking the implementation of NDC 3.0, focusing on indicators related to progress in meeting targets and enhancing data accuracy and transparency;
- Propose methodologies or tools for assessing the NDC 3.0 socioeconomic impacts across various sectors, considering employment, health, and economic growth;
- Perform gender analysis, including disaggregated data collection and analysis, to understand gender-specific impacts of NDC 3.0 actions;
- Develop guidelines and tools for incorporating gender considerations into climate change planning, monitoring and reporting at all levels;
- Create a detailed Implementation Plan for monitoring and reporting NDC 3.0 progress, including timelines, responsible parties, and specific actions to ensure transparency and accountability;
- Develop a NDC 3.0 Financing Strategy to identify investment needs, funding sources, and incentive strategies for its implementation, addressing barriers and prioritizing actions;
- Develop a NDC 3.0 Investment Plan to identify specific activities, projects, and initiatives to operationalize NDC targets, especially for renewables (such as De-risking Renewable Energy Investments);
- Introduce costing and macro-economic exercises such as Marginal Abatement Cost Curves (MACC), multi-criteria analysis (MCA), cost-benefit analysis, and social cost assessments, to the extent possible;
- Develop a structured system for tracking and reporting support needed and received, ensuring alignment with transparency provisions under Article 13 of the Paris Agreement;
- Create technical guidance and reporting tools to improve data collection and analysis on climate finance, gender, and socioeconomic impacts.

Project Component 2. Use country specific tools and data to enhance Serbia's Climate Change Transparency System

Project Outcome 2.1 National Climate Change Transparency System or "Monitoring, Reporting and Verification of climate change information System" (MRV-CIS system) strengthened

Project Outputs:

2.1.1 Compliance of the MRV-CIS system assessed against the latest national, EU and UNFCCC requirements and the system amended, revised or updated as needed;

2.1.2 Operationalization of the MRV-CIS system, including data collection and management, monitoring and evaluation module of the system, incorporating SMART and gender–sensitive indicators and potential synergy with other tools in the country;

2.1.3 Initiating development of national GHG emissions projection system based on comprehensive assessments.

Under this project output, the following activities will be undertaken:

- Perform a thorough audit of the MRV-CIS system to assess compliance with national, EU, and UNFCCC requirements, engage with stakeholders to gather feedback and insights on necessary amendments and updates and identify gaps and areas of non-compliance, with specific focus on GHG inventory, NDC tracking and adaptation;
- Enhance data collection tools to capture relevant data, including gender-disaggregated data, especially within priority sectors identified in the TE of the CBIT 1 (GEF ID 10029), i.e. energy, agriculture, forestry and health, and implement quality assurance/ quality control processes;
- Develop and incorporate Specific, Measurable, Achievable, Relevant, and Time-bound (SMART) and gender-sensitive indicators into the MRV-CIS system, to ensure clear, measurable evaluation of NDC 3.0 actions, including their social and gender-related impacts. Include training sessions within technical workshops on their application for tracking gender-related climate impacts;
- Conduct pilot tests of the updated monitoring and evaluation module to ensure functionality and accuracy, complemented with a training on how to analyze and report gender-disaggregated data;
- Integrate the MRV-CIS system with other national tools, by establishing communication protocols and harmonizing data standards;
- Provide ongoing technical support and organize technical workshops for system administrators to facilitate integration and seamless data sharing, ensuring gender-balanced participation and incorporating sessions on gender-responsive climate data collection and reporting;
- Assessment of available set of projection models (national, international) with costs-benefit and capacity analysis and equipment needed with recommendations for the best options based on national circumstances, capacities and regulatory frameworks;
- Assessment of administrative and technical capacities and financially sustainable models necessary for establishment of a national system for GHG projections in line with Law on climate change;

- Design of a sustainable national system for GHG emissions projections supported, in line with national legislation and ETF requirements.

Project Outcome 2.2 Data Collection and Transparency of climate actions improved

Project Outputs:

2.2.1 Country specific tools, methodologies, guidelines, protocols and templates for data collection, monitoring and reporting improved or developed, including quality assurance and quality control processes and integration of sectoral data, such as local climate actions.

Under this project output, the following activities will be undertaken:

- Revise the tracking framework from Serbia's CBIT 1 (GEF ID 10029), enhancing the MRV-CIS system with key performance indicators (KPIs), data sources, and reporting mechanisms for better monitoring of climate policy implementation;
- Establish or enhance data management systems to collect, store, and analyze climate policy implementation data;
- Enhance or develop country-specific tools for data collection and analysis focusing on climate investments;
- Develop and improve country-specific methodologies, guidelines, protocols, and templates for data collection, monitoring, and reporting, ensuring integration of sectoral data (e.g. energy, construction, transport, infrastructure, agriculture etc.);
- Establish robust quality assurance and quality control processes for data collection, ensuring data integrity and reliability;
- Create tools and protocols to specifically measure and report gender-specific impacts of climate change;
- Integrate gender considerations into data collection, monitoring, and reporting processes;
- Test the effectiveness of the new tools and protocols before full-scale implementation.
- Develop metrics to track financial, technical, and capacity-building support needed and received.

Project Component 3. Capacity building to support transparency-related activities over time

Project Outcome 3.1 Institutional and individual capacities and competences of Government Personnel and key Stakeholders for transparency and implementation of Climate Policies in Serbia strengthened and technical assistance provided

Project Outputs:

3.1.1 Climate change capacity and competency needs assessment for governmental institutions, public enterprises and the industry sector conducted at institutional and individual levels;

3.1.2 Gender training package designed and implemented in thematic areas – publications, brochures, leaflets;

3.1.3 Sustainable methods identified to mainstream climate change into education and training systems, for expanding green skills on a larger scale in both formal and informal channels.

Under this project output, the following activities will be undertaken:

- Conduct a climate change capacity and competency needs assessment for governmental institutions, public enterprises, and the industry sector at institutional and individual levels, ensuring gender-disaggregated data collection to identify specific capacity gaps for women;
- Identify/design the most suitable institutional and procedural structures required for a sustainable system addressing climate change scenarios and GHG emissions projections, aligned with national legislation and ETF requirements. This shall include defining responsible institutions, required personnel, roles and responsibilities, with an explicit focus on ensuring gender balance in decision-making structures, as well as necessary resources for effective functionality;
- Develop and implement a gender training package in seven thematic areas suggested in the CBIT 1 (GEF ID 10029) Terminal Evaluation;
- Transform training materials and manuals into engaging, self-paced learning resources (to the extent possible), ensuring open access and easy accessibility for newcomers;

- Upgrade the MRV-CIS system with a knowledge management module (having as input the Knowledge Management Plan designed in output 3.2) to serve as a centralized, long-term repository of climate-related knowledge and institutional memory related to climate change in Serbia;
- Organize gender-inclusive workshops to raise awareness of governmental official and relevant stakeholders on intersectoral approach to climate change, potential use of MRV-CIS system, and reporting standards and methodologies;
- Organize targeted study tours on topics such as GHG inventory and GHG emissions projections, incorporating good practices from other countries through the CBIT-GSP network to enhance capacity-building and strengthen South-South cooperation;
- Conduct research to identify ongoing initiatives or sustainable methods for mainstreaming climate change into education and training systems, focusing on expanding green skills;
- Develop guidelines and best practices for integrating climate change into education and training systems, bridging the gap between formal and informal education channels, and enhancing cooperation with universities and other bodies to address the transformative needs of the climate change labor market;
- Collaborate with educational institutions to incorporate climate change topics into existing curricula and training programs, where feasible.

Project Outcome 3. 2 Climate Change Communication enhanced for effective knowledge sharing and information dissemination, including for media

Project Outputs:

3.2.1 Gender sensitive communication plan for the project designed and implemented to enhance public awareness of climate change;

3.2.2 Comprehensive Knowledge Management Plan for the project designed and implemented.

Under this project output, the following activities will be undertaken:

- Design and implement a gender-sensitive Communication Plan based on the survey outcome to enhance public awareness of climate change;
- Collaborate with local media outlets to amplify the impact of the communication plan;
- Establish partnerships with community leaders and influencers to promote climate change awareness and adaptation efforts;
- Develop an inclusive and gender-responsive Knowledge Management Plan to capture, store, and disseminate knowledge on climate policies and actions, enhancing capacities for managing and sharing knowledge;
- Involve the private sector, local governments, and various stakeholders in trainings and learning events related to climate change, recognizing their crucial role in capacity building activities;
- Explore efficient methods to support public participation in the adoption and implementation of climate policies.

Project Component 4. Monitoring and Evaluation (M&E)

Project Outcome 4.1 Project regularly monitored and evaluated, lessons learned compiled and disseminated

Project Outputs:

4.1.1 Project results and outcomes monitored and evaluated;

4.1.2 Lessons learned and best practices shared with other Parties through the Global Coordination Platform and other cooperation networks.

Within this component, the project will ensure regular monitoring through the Project Implementation Report (PIR) process, as well as a Terminal Evaluation (TE). Lessons learned will be compiled and disseminated in a transparent and participatory manner, incorporating insights from women's groups and make sure that the institutional memory is preserved and accessible to those who need it, including academia, and civil society organizations.

Agreement on intellectual property rights and use of the logo on the project's deliverables and disclosure of information: To accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord proper acknowledgement to the GEF. Information will be disclosed per relevant policies, notably the UNDP Disclosure Policy[3] and the GEF policy on public involvement[4].

Resources required to achieve the expected result: To achieve the expected results of this project, a range of resources is essential. Key inputs include dedicated UNDP staff at the country, regional, and HQ levels, government personnel, and expert consultants in areas such as legal, financial, and gender analysis. Adequate project funding will cover operational costs, workshops, surveys, technical assessments, system upgrades, and stakeholder consultations. Strategic partnerships with government agencies, civil

[3] See http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/

[4] See https://www.thegef.org/projects-operations/policies-guidelines

society organizations, educational institutions, and the private sector will facilitate policy alignment, community engagement, and capacity-building activities.

Technical resources are crucial, including enhancements to the MRV-CIS system, advanced data collection tools, and comprehensive training materials. Implementing a robust Knowledge Management Plan will support the capture and dissemination of climate-related knowledge and best practices. Key activities will involve conducting capacity-building workshops, enhancing the NDC 3.0 and related policy frameworks, engaging stakeholders through consultations and partnerships, and establishing a strong monitoring and evaluation framework to track progress and compile lessons learned. These resources and activities will ensure the project effectively strengthens Serbia's capacity for transparent climate change reporting and policy implementation.

Partnerships: The CBIT project requires strong Governmental leadership and intensive engagement of a number of various stakeholders (including local governments and the private sector) in various trainings and learning events. Within Serbia's CBIT 1 Project (GEF ID 10029), 531 individuals from 29 institutions (line ministries, agencies and institutes, companies, civil society organizations (CSOs) benefited with increased knowledge and competencies[5]. Still there is a need to further develop the system and to strengthen capacity, and improve information sharing, among responsible and competent institutions, at the national and local levels, especially concerning disaster risk management.

To achieve the project's goals of strengthening Serbia's climate change transparency and policy framework, collaboration with various partners will be crucial. The project will engage government agencies, CSOs, academic institutions, the private sector, and international bodies, ensuring a coordinated effort across all sectors. The Ministry of Environmental Protection, as the project's executing agency, will play a pivotal role in creating ownership and strengthening coordination across all sectors. By leading the integration of Enhanced Transparency Framework (ETF) requirements and developing sector-specific legislative amendments, the Ministry will ensure transparent climate change reporting and policy alignment.

The project will leverage CSOs to mobilize community participation and incorporate grassroots perspectives, enhancing gender-sensitive adaptation measures and public awareness. Academic institutions will support the integration of climate change topics into curricula and research, fostering continuous learning and capacity building. The private sector's involvement will focus on developing training programs for the climate change labor market, driving innovation and investment in sustainable practices. The project will also align with other projects/initiatives supported by GEF and other donors (see Table 1), ensuring consistency and leveraging existing resilience-building activities. The success of the project depends on sustained commitment from all stakeholders, active participation, and the availability of necessary resources. Through this collaborative approach, the project aims to create a robust and transparent climate change framework in Serbia.

Table 1. Complementary Projects and synergies with CBIT 2

Project Name	Baseline Information
Advancing medium and long-term adaptation planning in the Republic of Serbia (NAP) Timeline: 2018-2024 Donor: Green Climate Fund Implementing Agency: UNDP	**Overall objective:** To improve Serbia's legal framework for addressing climate change vulnerabilities and strengthen institutional capacities for integrating climate change adaptation (CCA) measures into decision making and investment planning. The CBIT 2 project will benefit from the NAP strategic adaptation guidance, enhanced data collection and improve monitoring through the adaptation module in the MRV platform (across all Outcomes)
Reducing Community Carbon Footprint by a Circular Economy Approach in Serbia Timeline: 2022-2027 Donor: GEF Implementing Agency: UNDP	**Overall objective:** Reducing community carbon footprint by applying "circular economy approach" with the direct greenhouse gas emission reduction target of 95 ktons of CO_2eq and an indirect target of 1 638 ktons of CO_2eq. The project seeks to stimulate at least five (5) circular economy pilot/demonstration projects and business ideas with the total investment value of at least USD 14,150,000 (including both GEF and project co-financing). Furthermore, by a participatory approach the project seeks to engage the community, private and public sectors as well as research institutions.

[5] Source: CBIT 1 project Terminal Evaluation.

Project Name	Baseline Information
	The CBIT 2 project can support the circular economy project by developing methodologies related to calculation of CO_2 reduction and benefit from the pilot project results by using them to improve accuracy of the GHG inventory for waste sector (introduce higher Tier). The CBIT 2 project can benefit from the stakeholder engagement of the circular economy project and further scale it up (Outcome 2.2).
Enhancing the Energy Management System to Scale up Energy Efficiency Investments in Public Buildings in Serbia Timeline: 2022-2027 Donor: GEF Implementing Agency: UNDP	**Overall objective:** To reduce greenhouse gas emissions by improving the energy efficiency and promoting the use of renewable energy sources in public buildings with a particular focus on state-owned buildings. It will further support the development of an enabling policy framework and build local capacity for energy audits and energy management, facilitate the adoption of Energy Management Information Systems (EMIS) and energy management in at least 80 new state owned buildings with the total floor area of about 1 million m^2 and support the energy efficiency retrofits of at least 28 Government buildings resulting in direct GHG reduction impact of over 145,000 tons of CO_2-eq over a default lifetime of 25 years of the investment. This project will provide data to feed the MRV-CIS system (Outcomes 2.1 and 2.2).
UNDP - Climate Promise Initiative "Support to collectively respond to the climate emergency and establish resilient development pathways for sustaining human security and green transformation". *Sub-title (national): Innovative and Just Green Transition as Tool for Securing Systemic Energy Security and Reducing Energy Poverty* Timeline: 2023-2024 Donor: Government of Japan Implementing Agency: UNDP	**Overall objective:** The project aims to ensure energy security and support Government`s efforts against the energy poverty from the current energy crisis which is threatening the human security of the most vulnerable. In parallel, the project will support Serbia to achieve Nationally Determined Contribution (NDC) targets by identification and supporting implementation of technologies and innovative business models that reduce import dependency, diversify electricity generation mix and reduce energy intensity of the economy. Such approach will also contribute to just green transformation and decarbonization of the economy, showcase its impact, support the Government in enabling affordable and clean energy for vulnerable population as well as to monitor and reduce energy poverty (including reduced risks of energy poverty). The project will use UNDP's Innovation Challenge as a tool to trigger, select and accelerate innovative initiatives, especially among Micro, Small & Medium Enterprises (MSMEs). Through these activities, the project will also support the Government of Serbia to address key energy-related decisions on COVID-19 recovery and to align NDC targets with adaptation and recovery plans. This project will provide data to feed the MRV-CIS system, as well as it will support NDC tracking and revision process. Also, it will provide additional information on technology and capacity building needs and the support needed (Outcomes 1.1, 1.2 and 3.2).

Project Name	Baseline Information
Development of the First Biennial Transparency Report and the combined Fourth National Communication and Second Biennial Transparency Report of Serbia under the UNFCCC Timeline: 2023 – 2027 Donor: GEF Implementing Agency: UNDP	**Overall objective:** The project will enable the Republic of Serbia to prepare and submit its First Biennial Transparency Report (BTR1) as a standalone report and Fourth National Communication and Second Biennial Transparency Report (NC4/BTR2) as a combined report, to meet its reporting obligations under the UNFCCC and the Paris Agreement in line with the Modalities, Procedures and Guidelines (MPGs) for the transparency framework for action and support referred to in Article 13 of the Paris Agreement (Decision 18/CMA.1[6]) and the guidance on operationalizing the MPGs as per Decision 5/CMA.3. Furthermore, the project will also enable Serbia to prepare and submit its Adaptation Communication to the UNFCCC as a component of NC4/BTR2 in line with Article 7 of the PA and Decision 9/CMA.1. The project for the development of Serbia's BTR1 and NC4/BTR2 will build upon the previous NCs/BURs work as well as on the MRV system and institutional structures established within the CBIT project. It will further facilitate its operationalization, collection of data and information of relevance to climate change mitigation and adaptation, tracking of NDC implementation, and support needed and received, while providing a strong gender focus in all relevant report sections (across all Outcomes).
Capacity-building Initiative for Transparency – Global Support Programme (CBIT-GSP) Donor: GEF Implementing Agency: UNEP	Serbia has benefited from the Capacity-building Initiative for Transparency – Global Support Programme (CBIT-GSP) platform by enhancing its institutional capacities for transparent climate reporting, improving data collection processes, and strengthening its national MRV system to meet UNFCCC reporting requirements. Additionally, the platform has supported Serbia in mainstreaming gender considerations into its climate policies and reporting frameworks, while providing specific capacity-building activities tailored to its needs. Through the CBIT-GSP, Serbia has also learned from the experiences of other countries and shared its own successes in climate transparency efforts. This project shall further coordinate with the global Capacity-building Initiative for Transparency – Global Support Programme (CBIT-GSP) and with the FAO CBIT Forests Global Project (both financed by the GEF). Through regional networks, various activities are provided through CBIT GSP including in-person workshops and trainings, e.g., on NDC tracking, virtual knowledge-sharing events among countries, on tracking support needed and received, and national support activities, recommendations for institutional arrangements in countries or the identification of indicators for a country's NDC. To ensure better coordination of the CBIT project with GEF-financed transparency initiatives in other countries, information on this project will be uploaded into the GEF-CBIT Global Coordination Platform database contributing to the effective project tracking and to allow for joint reporting.

[6] CMA: The Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to the Paris Agreement. All States that are Parties to the Paris Agreement are represented at the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), while States that are not Parties participate as observers. The CMA oversees the implementation of the Paris Agreement and takes decisions to promote its effective implementation (source: UNFCCC, https://unfccc.int/process/bodies/supreme-bodies/conference-of-the-parties-serving-as-the-meeting-of-the-parties-to-the-paris-agreement-cma).

Risks and Assumptions: There are five risks identified under three categories: (1) Strategic, (2) Operational and (3) Financial. All identified risks are described and addressed in Annex 6. Both MoEP and UNDP will invest significant efforts to improve horizontal coordination and prevent or adequately address any potential risks. Only one risk has been evaluated as moderate, i.e. "MoEP lacks management experience necessary to ensure the full, participatory, and gender-sensitive implementation of all project activities", which may result in delays and quality of project implementation. Therefore, UNDP shall provide partially assisted support to the National Implementation Modality (NIM) to ensure the implementation of this project's activities. Strengthening structures and capacities in key governmental institutions planned within this project shall also strengthen the implementation of other GEF projects. Moreover, the knowledge management strategy will ensure that the acquired knowledge will remain in the institutions.

The UNDP Social and Environmental Screening Procedure (SESP) has been conducted for this project and it identified low risk rating (see Annex 5).

Stakeholder engagement: Key Stakeholders have been described in the GOVERNANCE AND MANAGEMENT ARRANGEMENTS chapter and include various actors: Government Agencies, CSOs, Academia, Private Sector Entities, Local Communities and International Partners. Detailed Stakeholder engagement plan is presented in Annex 8.

South-South and Triangular Cooperation (SSC/TrC): In addition, to bring the voice of Serbia to global and regional forums, the project will explore opportunities for meaningful participation in specific events where UNDP could support engagement with the global development discourse on climate change and the Enhanced Transparency Framework under the Paris Agreement. The project will provide regional cooperation opportunities with countries implementing initiatives on strengthening capacities, improving governance and institutional coordination in geopolitical, social and environmental contexts relevant to the proposed project in Serbia.

Gender equality and Women's Empowerment: In Serbia, significant progress has been made in integrating gender perspectives into climate change policies, thanks to the efforts of the previous CBIT project. One notable achievement is the appointment of a gender and climate change focal point from the Ministry of Environmental Protection to the UNFCCC. This step underscores Serbia's commitment to understanding the intricate relationship between climate change and gender equality. The second important achievement is the initial assessment that identified seven key areas where gender intersects with climate change. These include:

1. ensuring equitable access to resources affected by climate change,
2. enhancing women's participation in decision-making processes related to climate change,
3. addressing gender disparities in economic opportunities,
4. promoting gender equality in employment, especially in sectors impacted by climate change.
5. understanding gender dynamics in household-level climate change adaptation and mitigation,
6. considering gender-specific impacts on education and health outcomes, and
7. exploring gender differences in environmental behaviors and attitudes toward climate change.

The assessment also emphasized the significance of addressing the impacts of large systems such as companies, energy producers, and natural disaster alert systems. It highlighted the importance of a human-centered approach, recognizing that citizens' everyday actions and livelihood opportunities play a crucial role in successful climate change mitigation and adaptation.

One significant outcome of the assessment was the identification of gender-sensitive data and indicators for establishing a transparency framework for Serbia. This framework provides guidelines for mainstreaming gender perspectives not only in climate change policies but also in other relevant policy areas, recognizing that gender equality is a cross-sectoral and multi-sectoral issue.

To further advance these efforts, it is recommended to support data collection for measuring these indicators and develop a toolkit for gender mainstreaming, including a manual and checklist to assist policymakers in integrating gender perspectives into climate change policies. Additionally, efforts should be made to build the capacity of experts and officials involved in climate change policy-making, public administration, and reporting to understand the importance of gender equality in climate change causes and effects.

Looking ahead, **CBIT 2 project aims to scale up the integration of gender and climate change by incorporating gender considerations into every stage, from design to implementation**. This approach ensures that the project effectively addresses the needs and opportunities of both men and women.

Based on the project's focus on gender mainstreaming and addressing gender-specific vulnerabilities, a suggested Gender Action Plan for the CBIT2 project in Serbia is provided in the Annex 9. By implementing this Gender Action Plan, the project in Serbia can effectively address gender barriers, promote gender equality, and ensure that climate change actions are inclusive and responsive to the needs of all genders.

Knowledge: An inclusive and gender responsive Knowledge Management Plan shall be developed, outlining processes and tools for capturing, storing, and disseminating knowledge obtained. This plan will enhance capacities to manage and share knowledge on climate policies and actions. The MRV-CIS system will be upgraded with a knowledge management module, serving as a central hub for accessing information, best practices, and lessons learned. This system will promote collaboration among stakeholders

and address improvements in the loss of institutional memory related to climate change in Serbia, avoiding past mistakes and building on successful approaches.

Innovativeness, Sustainability and Potential for Scaling Up: This project introduces several innovation features/tools: 1) FAO's ETFCAT tool to assess capacity needs; 2) Livelihood Vulnerability Index to assess climate vulnerability and resilience of municipalities; and 3) it will pilot an innovative tool to identify and efficiently utilize climate investments in the country.

The process of the previous CBIT project and preparation of reports for the UNFCCC, has contributed to the institutional strengthening of the Ministry of Environmental Protection as a competent lead institution for the application of the Convention as well as of other relevant institutions at national level. This project will additionally improve the sustainability for preparation/revision of future NCs/BTRs/NDCs/NAPs and will facilitate the reporting requirements to the UNFCCC and ETF requirements within the Paris Agreement. Active participation by all stakeholders in the capacity building activities, governance and coordination will be facilitated to ensure ownership and sustainability. This project is designed to be sustainable in two ways:

1) The project focuses on strengthening and utilizing the capacity of existing institutions rather than creating new structures; and
2) The project shifts from a project-based reporting to a continuous process model.

The project will generate global environmental benefits and adaptation benefits through several key mechanisms that would not have occurred without the GEF project, demonstrating additionally. Firstly, by strengthening Serbia's policy and regulatory framework for transparent climate change reporting, the project will improve the country's ability to monitor, report, and verify its greenhouse gas emissions and climate actions. This will enhance transparency and accountability, contributing to global efforts to address climate change. Secondly, the project's focus on enhancing data collection and transparency of climate actions and climate finance will improve Serbia's ability to track progress on its Nationally Determined Contributions (NDCs) and access international climate finance. This will help Serbia implement more ambitious climate actions than would not have been possible without GEF support, leading to greater global environmental benefits. Additionally, the project's capacity-building efforts will strengthen Serbia's ability to mainstream climate change considerations into its national planning and development processes. This will improve the country's resilience to climate change impacts, benefiting not only Serbia but also the global community by demonstrating best practices in adaptation and mitigation.

While lessons learned at the time of designing the CBIT 1 project were limited, Serbia now has a wealth of its own experiences to draw upon. Additionally, it can benefit from lessons learned from other CBIT projects, including the Republic of Moldova (such as the Climate Vulnerability Index), Türkiye (using FAO's Enhanced Transparency Framework Capacity Assessment (ETFCAT) Tool for assessing and tracking the progress of ETF implementation for CBIT and BTR/NC projects) and Republic of North Macedonia (the Climate Investment Platform and Livelihood Vulnerability Index). Valuable insights can also be gained from global projects financed by the Global Environment Facility (GEF), such as the Global CBIT and Global AFOLU projects, as well as from other UN agencies (FAO, UNEP) and organizations (World Bank). Collaboration with the Capacity-building Initiative for Transparency – Global Support Programme (CBIT-GSP) and the FAO CBIT Forests Global Project, will further enhance knowledge sharing. Participation in regional networks, workshops and training on NDC tracking and virtual knowledge-sharing events shall also be facilitated. Moreover, Serbia's good practices and lessons learned will be shared on the CBIT Global Coordination Platform, benefiting other countries facing similar challenges.

Digital Solutions: The project shall support operationalization of the MRV-CIS system as a tool for monitoring and regular updating of country's NDC and create synergy with other tools in the country (such as the GHG Permitting System) to improve availability and quality of the climate change related data and information.

PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The strategy for the project is designed to deliver maximum results with the available resources by adopting several evidence-based and efficient approaches. The rationale behind the chosen pathway is grounded in good practices and lessons learned from similar contexts, ensuring that the selected approach is the most efficient and effective option available. This approach not only ensures cost efficiency but also enhances the overall effectiveness of the project, leading to sustainable and impactful outcomes.

The theory of change analysis (see Figure 1) is used to explore various pathways to achieve the project's objectives. Continuously reviewing project progress and adapting strategies based on findings from the theory of change analysis and portfolio management insights. This approach allows for the identification of the most impactful interventions, ensuring that resources are allocated to activities with the highest potential for success. Evidence from similar projects in Serbia and comparable contexts demonstrates that theory of change analysis can significantly enhance project outcomes.

By leveraging synergies between activities and partnerships with other initiatives and projects (see Table 1), the project shall achieve greater efficiency. The project also facilitates continuous learning and adaptation, enabling the project team to adjust its strategies based on real-time feedback and performance data.

Engaging in joint operations, such as monitoring, procurement, and reporting between the MoEP and UNDP reduces costs and improves operational efficiency. This collaborative approach minimizes duplication of efforts and leverages the strengths of both partners.

Project Management

The Ministry of Environmental Protection will support the project by providing equipment and premises for the Project Management Unit (PMU). The office space will be located within the MoEP, where a dedicated project manager and project assistant will be stationed. Project implementation will be conducted with the full engagement of the Ministry staff from the Climate Change Department and under the overall management of the PMU. UNDP shall be responsible for Identification and/or recruitment of members of the Project Support Unit (PSU) and consultants according to UNDP norms, rules and requirements, to enable implementation of all technical outputs and proper project management, which shall be also situated at the premises of the Ministry of Environment. The Ministry shall nominate representatives from the Climate Change Department as liaisons to the PSU.

The preparation and implementation of this project is and will be closely coordinated by the UNFCCC National Focal Point. The Public Relations Officer within the MoEP will assist in promoting and communicating project results to key stakeholders and the general public. MoEP is also responsible for coordinating the implementation of other climate change-related projects (see Table 1), including the UNDP-GEF project for the Development of the First Biennial Transparency Report and the combined Fourth National Communication and Second Biennial Transparency Report of Serbia under the UNFCCC.

The project will leverage UNDP Direct Country Office Support Services to ensure efficient project execution. Collaborative arrangements with related projects will be established to maximize synergies and avoid duplications.

The project will be audited according to UNDP Financial Regulations and Rules and applicable audit policies. The audit cycle and process will be discussed during the inception workshop. If the Implementing Partner is a UN Agency, the project will be audited according to that Agency's applicable audit policies.

PROJECT RESULTS FRAMEWORK

Intended Outcome as stated in the UNSDCF/Country Programme Results and Resource Framework: *CPD Outcome 3. Strengthen resilience to shocks and crises* *CPD Outcome 1: Structural transformation accelerated, particularly green, inclusive, and digital transitions*
Applicable Output(s) from the UNDP Strategic Plan: *3.1 Institutional systems to manage multi-dimensional risks and shocks strengthened at regional, national and sub-national levels* *6.2 Women's leadership and participation advanced through implementing affirmative measures, strengthening institutions and civil society, and addressing structural barriers, in order to advance gender equality, including in crisis contexts*
Project title and Quantum Project Number: Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2, 01002800
Intended Outcome as stated in the UNSDCF/Country Programme Results and Resource Framework: *CPD Outcome 3. Strengthen resilience to shocks and crises* *CPD Outcome 1: Structural transformation accelerated, particularly green, inclusive, and digital transitions*

Objective and Outcome Indicators		Data Source	Baseline	Mid-term Target	End of Project Target	Data Collection Methods	Risks/Assumptions
Project Objective:	Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2, by strengthening Serbia's Policy and Regulatory Framework for transparent climate change reporting, utilizing country-specific tools and data to enhance the Climate Change Transparency System, building institutional and individual capacities for transparent climate policy implementation, and improving Monitoring and Evaluation (M&E) and Knowledge Management practices.						
	Mandatory Indicator: ***Indicator 1:*** *# direct project beneficiaries disaggregated by gender (individual people)*	Minutes of meetings/events/trainings, Attendance sheets	0	350 (at least 51% women)	550 (at least 51% women)	Analysis of the training plan implementation documents - attendance sheets and training self-evaluation	No specific risks or assumptions are proposed for this indicator because achieving the target is deemed highly feasible within the project framework, given the strong gender-balanced participation observed in previous EA and CBIT projects.
	Mandatory GEF Core Indicator *(CBIT TT Indicator 3, based on* 10-point scale): ***Indicator 2:*** *Quality of MRV Systems*	Project Reports and results from the FAO's ETFCAT tool	7	7	8	FAO's ETFCAT tool.	Risk: Potential loss of knowledge and expertise in the area of MRV as a result of high staff turnover in governmental institutions could negatively impact the long-term sustainability of the established MRV system.
	CBIT TT indicator 5, based on 4-point scale: ***Indicator 3:***	Project Reports and results from the FAO's ETFCAT tool	2	2	3	FAO's ETFCAT tool.	Risk: Potential political transitions can lead to institutions being unable to employ new personnel efficiently.

Objective and Outcome Indicators		Data Source	Baseline	Mid-term Target	End of Project Target	Data Collection Methods	Risks/Assumptions
	Qualitative Assessment of Institutional Capacity for Transparency Related Activities		*(The baseline is set as per the terminal evaluation of Serbia's CBIT 1*				
Project component 1	**Strengthening Serbia's Policy and Regulatory Framework**						
Project Outcome 1.1 **Strengthened regulatory framework for transparent climate change reporting**	***Indicator 4:*** *# national climate change relevant regulatory documents informed by the MRV system*	National regulatory documents	1 *(Law on Climate Action)*	2	4	Review of national regulatory documents	Risk: Political changes might lead to low interest of the Government to support development/adopt regulatory documents
Outputs to achieve Outcome 1.1 Strengthened regulatory framework for transparent climate change reporting	1.1.1. An analysis of ETF requirements conducted, ensuring gender considerations are included, and recommendations for improving the existing regulatory framework provided; 1.1.2. Based on recommendations, the existing climate change regulatory framework strengthened to align with the ETF requirements and transparent climate change monitoring and reporting requirements; 1.1.3. An analysis of the potential to integrate climate change into sectoral legislative framework at the national and local levels conducted, considering gender-specific vulnerabilities and capacities; 1.1.4. Institutional framework in Serbia strengthened governed by clear and formal roles and responsibilities, including gender balance in governance.						
Outcome 1.2 Strengthened policy framework for transparent climate change reporting	***Indicator 5:*** *# reports with inputs from the MRV system submitted to the UNFCCC*	UNFCCC Web site	0	0	At least one report (Serbia's NDC 3.0, potentially also BTR1 and NC4)	Analysis of the reports published on the UNFCCC website	Risk: Delays in adopting the reports due to low political commitment.
Outputs to achieve Outcome 1.2	1.2.1 The policy framework for tracking, monitoring, and transparently reporting on Serbia's 2025 NDC (NDC 3.0) implementation is strengthened, enhancing transparency and accountability of its climate actions 1.2.2 Mechanisms for assessing and reporting the socioeconomic and gender impacts of climate policies and actions are proposed, along with a system for tracking support needed and received						
Project component 2	**Use country specific tools and data to enhance Serbia's Climate Change Transparency System**						

Objective and Outcome Indicators		Data Source	Baseline	Mid-term Target	End of Project Target	Data Collection Methods	Risks/Assumptions
Outcome 2.1 National Climate Change Transparency System or "Monitoring, Reporting and Verification of climate change information System" (MRV-CIS system) strengthened	***Indicator 6:*** *# government agencies accessing data and information in the national MRV system on a regular basis* *(Suggested in TE report for CBIT 1)*	A log file for tracing the access and various operations of users in the MRV-CIS system	0	3	5	Analysis of the MRV-CIS system log files	Assumption: The MRV tool is operational and relevant by-laws and secondary legislation adopted
Outputs to achieve Outcome 2.1	2.1.1 Compliance of the MRV-CIS system assessed against the latest national, EU and UNFCCC requirements and the system amended, revised or updated as needed; 2.1.2 Operationalization of the MRV-CIS system, including data collection and management, monitoring and evaluation module of the system, incorporating SMART and gender –sensitive indicators and potential synergy with other tools in the country; 2.1.3 Initiating development of national GHG emissions projection system based on comprehensive assessments.						
Outcome 2.2 Data Collection and Transparency of climate actions improved	***Indicator 7:*** *# of tools, methodologies, guidelines, protocols or templates for data collection, monitoring and reporting improved or developed*	Government Reports and Official Documents from relevant ministries or agencies, that outline the development or improvement of climate data collection tools and protocols; Project Reports	0	5	10	Document Review	Assumptions: Relevant government agencies and stakeholders are willing to engage / collaborate in the development of and implementing these improved or newly developed tools, methodologies, guidelines, and protocols for data collection, monitoring, and reporting.
Outputs to achieve Outcome 2.2	2.2.1 Country specific tools, methodologies, guidelines, protocols and templates for data collection, monitoring and reporting improved or developed, including quality assurance and quality control processes and integration of sectoral data, such as local climate actions.						
Project component 3	**Capacity building to support transparency-related activities over time**						
Outcome 3.1 Institutional and individual capacities and competences of Government Personnel and Key Stakeholders for transparency and implementation of Climate Policies in Serbia strengthened and technical assistance provided	***Indicator 8:*** *# beneficiaries that increase their capacities as result of training, disaggregated by gender*	Training self-evaluations submitted by the participants.	0	At least 250 (51% women)	At least 450 (51% women)	Analysis of the training self-evaluations submitted by the participants.	Assumptions: The terms of reference (TOR) for expert-trainers in future projects should require the formulation of a methodology for identifying the level of capacity built and conducting the evaluation.
Outputs to achieve Outcome 3.1	3.1.1 Climate change capacity and competency needs assessment for governmental institutions, public enterprises and the industry sector conducted at institutional and individual levels; 3.1.2 Gender training package designed and implemented in thematic areas – publications, brochures, leaflets; 3.1.3 Sustainable methods identified to mainstream climate change into education and training systems, for expanding green skills on a larger scale in both formal and informal channels.						

Objective and Outcome Indicators		Data Source	Baseline	Mid-term Target	End of Project Target	Data Collection Methods	Risks/Assumptions
Outcome 3. 2 Climate Change Communication enhanced for effective knowledge sharing and information dissemination, including for media	***Indicator 9:*** *Increase in public awareness and knowledge dissemination of climate change issues by at least 25% within 36 months*	Pre- and post-intervention surveys and the number of knowledge-sharing events and materials produced.	0	--	At least 25% increase	Analysis of public awareness surveys and Knowledge materials published on the national climate change platform or the MRV-CIS system	Assumption: Surveys should be based on a marginal scale of at least 1000 participants
Outputs to achieve Outcome 3.2	3.2.1 Gender sensitive communication plan for the project designed and implemented to enhance public awareness of climate change; 3.2.2 Comprehensive Knowledge Management Plan for the project designed and implemented.						
Project component 4	**Monitoring & Evaluation**						
Outcome 4.1 Project regularly monitored and evaluated, lessons learned compiled and disseminated	***Indicator 10:*** *# of progress and evaluation reports prepared and submitted to Project Board, UNDP and GEF.*	M&E plan described *under section VI of the project document*	0	5	9	Monitoring and implementation progress reports submitted to GEF, UNDP and the Project Board	Assumptions: Inception workshop, and TE conducted, and its results and lessons learned have been made available.
Outputs to achieve Outcome 4.1	4.1.1 Project results and outcomes monitored and evaluated; 4.1.2 Lessons learned and best practices shared with other Parties through the Global Coordination Platform and other cooperation networks.						

MONITORING AND EVALUATION (M&E) PLAN

Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the UNDP POPP (including guidance on GEF project revisions) and UNDP Evaluation Policy **The UNDP Country Office is responsible for ensuring full compliance with all UNDP project M&E requirements including project monitoring, UNDP quality assurance requirements, quarterly risk management, and evaluation requirements.**

Additional mandatory GEF-specific M&E requirements will be undertaken in accordance with the GEF Monitoring Policy and the GEF Evaluation Policy and other relevant GEF policies[7]. The M&E plan and budget included below will guide the GEF-specific M&E activities to be undertaken by this project.

In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed – including during the Project Inception Workshop - and will be detailed in the Inception Report.

Minimum project monitoring and reporting requirements as required by the GEF:

Inception Workshop and Report: A project inception workshop will be held within 2 months from the First disbursement date, with the aim to:

a. Familiarize key stakeholders with the detailed project strategy and discuss any changes that may have taken place in the overall context since the project idea was initially conceptualized that may influence its strategy and implementation.
b. Discuss the roles and responsibilities of the project team, including reporting lines, stakeholder engagement strategies and conflict resolution mechanisms.
c. Review the results framework and monitoring plan.
d. Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP and other stakeholders in project-level M&E.
e. Update and review responsibilities for monitoring project strategies, including the risk log; SESP report, Social and Environmental Management Framework (where relevant) and other safeguard requirements; project grievance mechanisms; gender strategy; knowledge management strategy, and other relevant management strategies.
f. Review financial reporting procedures and budget monitoring and other mandatory requirements and agree on the arrangements for the annual audit.
g. Plan and schedule Project Board meetings and finalize the first-year annual work plan. Finalize the TOR of the Project Board.
h. Formally launch the Project.

GEF Project Implementation Report (PIR):
The annual GEF PIR covering the reporting period July (previous year) to June (current year) will be completed for each year of project implementation. UNDP will undertake quality assurance of the PIR before submission to the GEF. The PIR submitted to the GEF will be shared with the Project Board. UNDP will conduct a quality review of the PIR, and this quality review and feedback will be used to inform the preparation of the subsequent annual PIR.

GEF Core Indicators:
The GEF Core indicators included as Annex 14 will be used to monitor global environmental benefits and will be updated for reporting to the GEF prior to MTR/TE. Note that the project team is responsible for updating the core indicators status. The updated monitoring data must be shared with MTR/TE consultants prior to required evaluation missions, so these can be used for subsequent ground verification. The methodologies to be used in data collection have been defined by the GEF and are available on the GEF.

[7] See https://www.thegef.org/projects-operations/policies-guidelines

Terminal Evaluation (TE):

An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terms of reference, the evaluation process and the final TE report will follow the standard templates and TE guidance for UNDP-supported GEF-financed projects available on the UNDP Evaluation Resource Center. TE must be submitted to the GEF no later than 6 months after the Completion Date. This is a hard deadline that, if not met, can only be extended through a formal extension request.

Provisions must be taken to complete and submit the TE within the submission deadline. Therefore, TE must start no later than 8 months before the expected date of submission of the TE (or 11 months prior to the estimated operational closure date).

The evaluation will be independent, impartial and rigorous. The evaluator(s) that UNDP will hire to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. Equally, the evaluators should not be in a position where there may be the possibility of future contracts regarding the project being evaluated.

The GEF Operational Focal Point and other stakeholders will be actively involved and consulted during the terminal evaluation process. Additional quality assurance support is available from BPPS NCE.

The final TE report will be publicly available in English and posted on the UNDPHY ERC by the TE submission date included on cover page of this project document. A management response to the TE recommendations will be posted to the ERC within six weeks of the TE report submission to the GEF.

Per the GEF Terminal Evaluation requirements, for cancelled full-sized projects, Terminal Evaluations are required if the GEF grant expenditure exceeds more than US$ 2 million.

Final Report:

The project's final GEF PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the Project Board during an end-of-project review meeting to discuss lessons learned and opportunities for scaling up.

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

Monitoring Plan: The project results, corresponding indicators and mid-term and end-of-project targets in the project results framework will be monitored by the Project Management Unit annually, and will be reported in the GEF PIR every year, and will be evaluated periodically during project implementation. If baseline data for some of the results indicators is not yet available, it will be collected during the first year of project implementation. Project risks, as outlined in the risk register, will be monitored quarterly.

Table 3. Monitoring Plan

Results Monitoring	Indicators	Targets	Description of indicators and targets	Data source / Collection Methods	Frequency	Responsible for data collection	Means of verification	Risks/Assumptions
Project objective Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2, by strengthening Serbia's Policy and Regulatory Framework for transparent climate change reporting, utilizing country-specific tools and data to enhance the Climate Change Transparency System, building institutional and individual capacities for transparent climate policy implementation, and improving Monitoring and Evaluation (M&E) and Knowledge Management practices.	***Indicator 1*** *# direct project beneficiaries disaggregated by gender (individual people)*	*MT: 350* *(at least 51% women)* *TE: 550* *(at least 51% women)*	*The Terminal Evaluation (TE) of Serbia's CBIT 1 project confirmed that 531 individuals (206 women) increased their capacities to meet enhanced transparency requirements. This project proposal set a slightly higher target, aiming to reach 550 beneficiaries (with at least 51% women) due to an anticipated increase in beneficiaries from the business and CSO sectors.*	*Minutes of meetings, events, trainings, attendance sheets.* *Analysis of the training plan implementation documents - attendance sheets and training self-evaluation.*	*Annually (reported in Development Objective (DO) progress section of the GEF PIR), mid-term and closure.* *Internal progress reports by PMU.* *Quarterly reports.*	*Project Manager*	*Attendance sheets and training self-evaluations*	*No specific risks or assumptions are proposed for this indicator because achieving the target is deemed highly feasible within the project framework, given the strong gender-balanced participation observed in previous EA and CBIT projects.*
	Indicator 2 *Quality of MRV Systems*	*MT: 7* *TE: 8*	*CBIT TT Indicator 3, rubric based on 10-point scale, with 7 meaning: Measurement regarding GHG is broadly done (with widely acceptable methodologies), need for more sophisticated analyses to improve policy; Reporting is periodic with improvements in transparency; verification is done through more sophisticated methods even if partially;* *and 8 meaning: Strong standardized measurements processes established for key indicators and mainstreamed into institutional policy implementation; reporting is widely available in multiple formats; verification is done for a larger set of information.*	*Project Reports and results from the FAO's ETFCAT tool*	*Inception phase, mid-term and closure*	*Project Manager*	*FAO's ETFCAT tool.*	*Risks: Long-term sustainability of established MRV system might be negatively affected by a lack of institutional interest in using the system and shortage of knowledgeable staff to provide necessary inputs. High turnover in government institutions could further lead to a loss of expertise and knowledge in MRV.*
	Indicator 3 *Qualitative Assessment of Institutional*	*MT: 2* *TE: 3*	*CBIT TT indicator 5, rubric based on 4-point scale, with 2 meaning Designated transparency institution exists, but with limited staff and*	*Project Reports and results from the FAO's ETFCAT tool*	*Inception phase, mid-term and closure.*	*Project Manager*	*FAO's ETFCAT tool results.*	*Risk: Potential political transitions can lead to institutions being unable to employ new personnel efficiently*

Results Monitoring	Indicators	Targets	Description of indicators and targets	Data source / Collection Methods	Frequency	Responsible for data collection	Means of verification	Risks/Assumptions
	Capacity for Transparency Related Activities		*capacity to support and coordinate implementation of transparency activities under Article 13 of Paris Agreement. Institution lacks authority or mandate to coordinate transparency activities under Article 13;* *and 3 meaning Designated transparency institution has an organizational unit with standing staff with some capacity to coordinate and implement transparency activities under Article 13 of the Paris Agreement. Institution has authority or mandate to coordinate transparency activities under Article 13. Activities are not integrated into national planning or budgeting activities*					
Project Outcome 1: Strengthening Serbia's Policy and Regulatory Framework	***Indicator 4*** *# national climate change relevant regulatory documents informed by the MRV system*	*MT: 2* *TE: 4*	*Number of various bylaws and rulebooks supported by the project*	*Analysis of national legal documents*	*Annually (reported in Development Objective (DO) progress section of the GEF PIR), mid-term and closure.*	*Project Manager*	*Official Gazette of the Republic of Serbia or other relevant sources*	*Risk: Political changes might lead to low interest of the Government to support development/adopt regulatory documents*
	Indicator 5 *# reports with inputs from the MRV system submitted to the UNFCCC*	*MT: 0* *TE: 1*	*Serbia's NDC 3.0, potentially also BTR1 and NC4*	*Analysis of the information published on the UNFCCC web site or other relevant national portals.*	*Annually (reported in Development Objective (DO) progress section of the GEF PIR), mid-term and closure.*	*Project Manager*	*UNFCCC website or other relevant national portals*	*Risk: Delays in adopting the reports due to low political commitment.*
Project Outcome 2: Use country specific tools and data to enhance Serbia's	***Indicator 6*** *# government agencies accessing data*	*MT: 3* *TE: 5*	*This indicator is suggested in the Terminal Evaluation report for CBIT1 project*	*A log file for tracing the access and various operations of users in the MRV-CIS system*	*Project's mid-term and closure*	*Project Manager and MRV-CIS system administrator*	*Analysis of the MRV-CIS system log files*	*Assumption: The MRV tool is operational and relevant by-laws and secondary legislation adopted*

Results Monitoring	Indicators	Targets	Description of indicators and targets	Data source / Collection Methods	Frequency	Responsible for data collection	Means of verification	Risks/Assumptions
Climate Change Transparency System	*and information in the national MRV system on a regular basis*							
	Indicator 7: *# of tools, methodologies, guidelines, protocols or templates for data collection, monitoring and reporting improved or developed*	*MT: At least 5* *TE: At least 10 tools, methodologies, guidelines, protocols and templates*	*Tracks the creation or improvement of the necessary instruments for climate data collection and reporting in Serbia*	*Government Reports and Official Documents from relevant ministries or agencies, that outline the development or improvement of climate data collection tools and protocols; Project Reports*	*Annually (reported in Development Objective (DO) progress section of the GEF PIR), mid-term and closure*	*Project Manager*	*Analysis of Government Reports and Official Documents from relevant ministries or agencies, that outline the development or improvement of climate data collection tools and protocols, and Project Reports*	*Assumption: Relevant government agencies and stakeholders are willing to engage / collaborate in the development of and implementing these improved or newly developed tools, methodologies, guidelines, and protocols for data collection, monitoring, and reporting*
Project Outcome 3: Capacity building to support transparency-related activities over time	***Indicator 8*** *# beneficiaries that increase their capacities as result of training, disaggregated by gender*	*MT: At least 250* *(51% women)* *TE: At least 450* *(51% women)*	*All trainings should require self-evaluations submitted by the participants, based on a methodology designed for the project (see Assumption) .*	*Training self-evaluations submitted by the participants.*	*Annually (reported in Development Objective (DO) progress section of the GEF PIR), mid-term and closure*	*Project Manager*	*Analysis of the training self-evaluations submitted by the participants.*	*Assumption: The terms of reference (TOR) for expert-trainers in future projects should require the formulation of a methodology for identifying the level of capacity built and conducting the evaluation.*

Results Monitoring	Indicators	Targets	Description of indicators and targets	Data source / Collection Methods	Frequency	Responsible for data collection	Means of verification	Risks/Assumptions
	Indicator 9 *# Increase in public awareness and knowledge dissemination of climate change issues by at least 25% within 36 months*	*MT: n/a* *TE: At least 25% increase*	*Nomination of representatives; official decisions of the government or its agencies on national/local level; Memorandums of Understanding (MoUs) signed*	*Public awareness surveys performed at the inception phase and in the final year pf project implementation.*	*Inception report and final project report*	*Project Manager*	*Analysis of public awareness surveys and Knowledge materials published on the national climate change platform or the MRV-CIS system.*	*Assumption: Surveys should be based on a marginal scale of at least 1000 participants*
Project Outcome 4: Monitoring & Evaluation	***Indicator 10*** *# of progress and evaluation reports prepared and submitted to Project Board, UNDP and* *GEF*	*MT: 5* *TE: 9*	*M&E plan described in the table below* *Mid Term Review* *Terminal Evaluation* *Three PIR reports* *Periodic/quarterly progress reports by PMU*	*Project Board materials and PIRs submitted* *Mid Term Review and Terminal Evaluation reports* *Progress/quarterly reports by PMU*	*Periodically (reported in Development Objective (DO) progress section of the GEF PIR), mid-term and closure*	*Project Manager*	*Monitoring reports submitted to UNDP, GEF and the Project Board*	*Assumptions: Inception workshop, TE conducted, and its results and lessons learned have been made available.*

Table 4. Monitoring and evaluation frequency and expected activities

Monitoring Activity		
	Frequency/Timeframe	**Expected Action**
Inception Workshop and Report	Inception Workshop within 2 months of the First Disbursement	As per above description
Track results progress (see table 2 for details)	Annually and at mid-point and closure	Slower than expected progress will be addressed by project management.
Monitor and Manage Risk	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.
Supervision Missions	Annually	
Learning and Learning Missions	As needed	Relevant lessons are captured by the project team and used to inform management decisions.
Annual Project Quality Assurance	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.
Review and Make Course Corrections	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.
Annual GEF Project Implementation Report (PIR)	Annually typically between June-September	Mandatory contribution by Project Team, CO and RTA. Strengths and weaknesses will be reviewed by project management and used to inform decisions to improve project performance
Project Review (Project Board)	At least annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.
Monitoring of gender action plan	Annually	Gender consultant to review the level of implementation of the Gender Action Plan and suggest corrective actions, if needed.
Monitoring of stakeholder engagement plan	Annually	Project team to review the level of implementation of the Stakeholder Engagement Plan and suggest corrective actions, if needed.

Table 5. Evaluation Plan

Evaluation Title	Related Strategic Plan Output	UNSDCF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders (indicative)
Independent Terminal Evaluation (TE)	Strengthen resilience to shocks and crises	3	By the TE submission date included on cover page of Project Document	Ministry of Environmental Protection (MoEP) Serbian Environmental Protection Agency (SEPA) Republic Hydro meteorological Institute SKGO - Standing Conference of Towns and Municipalities UNDP CO Serbia UNDP Climate Hub (Regional Technical Oversight team) GEF Focal Points

GOVERNANCE AND MANAGEMENT ARRANGEMENTS

Section 1: General roles and responsibilities in the projects' governance mechanism

Implementing Partner: The Implementing Partner for this project is the **Ministry of Environmental Protection (MoEP)**.

The Implementing Partner is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of UNDP resources and the delivery of outputs, as set forth in this document.

The Implementing Partner is responsible for executing this project. Specific tasks include:

- Project planning, coordination, management, monitoring, evaluation and reporting. This includes providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
- Overseeing the management of project risks as included in this project document and new risks that may emerge during project implementation.
- Procurement of goods and services, including human resources.
- Financial management, including overseeing financial expenditures against project budgets.
- Approving and signing the multiyear workplan.
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.

Responsible Parties: The Project Board may introduce other Responsible Parties during the project implementation to assist in the implementation of certain project outputs.

Project stakeholders and target groups: Relevant stakeholders for this project proposal include government agencies, CSOs, academia, private sector entities, local communities, and international partners. Each of these stakeholders plays a critical role in delivering on the project outcomes:

1. **Government Agencies:** Government agencies (on national and local level, including state-owned enterprises) are key stakeholders in implementing policies and regulations related to climate change mitigation and adaptation. They are responsible for setting targets, developing strategies, and implementing actions to achieve the project's objectives. Their role is critical in ensuring policy coherence, enforcement, and monitoring of climate-related activities. These include: Ministry of Environmental Protection, Ministry of Mining and Energy, National Climate Change Council (NCCC), Ministry of Economy, Ministry of Interior, Ministry of Agriculture, Forestry and Water Management, Ministry of Construction, Transport and Infrastructure, Ministry of Finance, Ministry of Education, Science and Technological Development, also hosting the Serbian Innovation Fund, Ministry of Public Administration and Local Self-Government and the Directorate for e-Government, Ministry for Labor, Employment, Veteran and Social Affairs, Energy Agency of the Republic of Serbia, Serbian Environmental Protection Agency, Statistical Office of the Republic of Serbia, Republic Hydro-meteorological Service of Serbia;
2. **Non-Governmental Organizations (NGOs):** NGOs play a vital role in raising awareness, mobilizing communities, and advocating for climate action. They can support the project by implementing grassroots initiatives, providing technical expertise, and monitoring the impact of climate change on vulnerable communities. Therefore, possible areas for co-operation with NGOs and related initiatives shall be clarified further during inception phase;
3. **Academia:** Academic institutions can contribute to the project by conducting research, providing data and analysis, and training future professionals in climate-related fields. Their role is critical in generating knowledge, building capacity, and informing evidence-based decision-making. These include: technical faculties at the Belgrade University, faculties at the Novi Sad University, Institutes and research centers;
4. **Private Sector Entities:** The private sector, including businesses and industries, can contribute to the project by investing in sustainable practices, developing innovative technologies, and collaborating on

climate-related projects. Their role is critical in driving innovation, creating green jobs, and promoting sustainable economic growth. These include the Chamber of Commerce and Industry of Serbia;

5. **Local Communities:** Local communities are at the forefront of climate change impacts and adaptation efforts. Their involvement is critical in identifying local vulnerabilities, developing adaptation strategies, and implementing climate-resilient practices. Empowering local communities to participate in decision-making processes is key to achieving sustainable outcomes.
6. **International Partners:** International partners, including multilateral organizations, development agencies, and donor countries, can support the project by providing funding, technical assistance, and expertise. Their role is critical in leveraging global resources, sharing best practices, and promoting international cooperation on climate change. These include: UNEP, World Bank, FAO, GIZ, EU Commission, GEF Financed Global CBIT projects.

Overall, the collaboration and engagement of these stakeholders are essential for delivering on the project's objectives, ensuring the sustainability of interventions, and maximizing the benefits for both Serbia and the global community.

UNDP: UNDP is accountable to the GEF for the implementation of this project. This includes oversight of project execution undertaken by the Implementing Partner to ensure that the project is being carried out in accordance with UNDP and GEF policies and procedures and the standards and provisions outlined in the Delegation of Authority (DOA) letter for this project. **The UNDP GEF Executive Coordinator, in consultation with UNDP Bureaus and the Implementing Partner, retains the right to revoke the project DOA, suspend or cancel this GEF project.** UNDP is responsible for the Project Assurance function in the project governance structure and presents to the Project Board and attends Project Board meetings as a non-voting member.

A firewall will be maintained between the delivery of project oversight and quality assurance performed by UNDP and charged to the GEF Fee and any support to project execution performed by UNDP (as requested by and agreed to by both the Implementing Partner and GEF) and may be charged to the GEF project management costs (only if approved by GEF). The segregation of functions and firewall provisions for UNDP in this case is described in the next section.

Section 2: Project governance structure

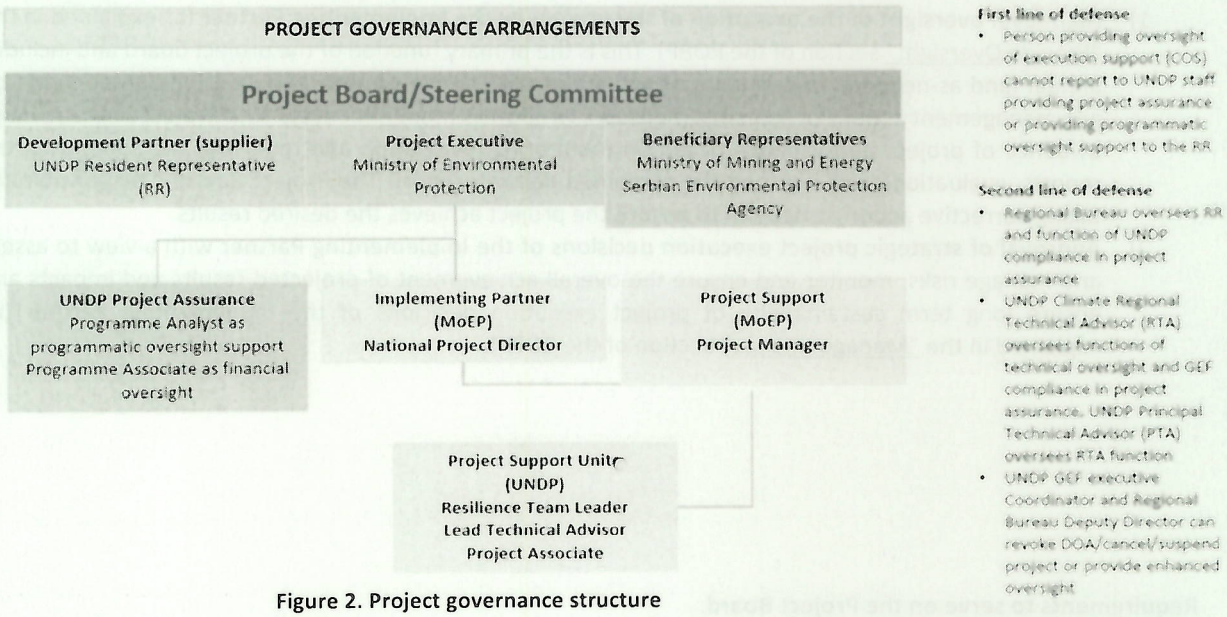


Figure 2. Project governance structure

The UNDP Resident Representative assumes full responsibility and accountability for oversight and quality assurance of this Project and ensures its timely implementation in compliance with the GEF-specific requirements and UNDP's Programme and Operations Policies and Procedures (POPP), its Financial Regulations and Rules and Internal Control Framework. A representative of the UNDP Country Office will assume the

assurance role and will present assurance findings to the Project Board, and therefore attends Project Board meetings as a non-voting member.

To ensure the strict independence required by the GEF and in accordance with the UNDP Internal Control Framework, these execution services will be delivered independent from the GEF-specific oversight and quality assurance services.

Section 3: Segregation of duties and firewalls vis-à-vis UNDP representation on the project board:

As noted in the Minimum Fiduciary Standards for GEF Partner Agencies, in cases where a GEF Partner Agency (i.e. UNDP) carries out both implementation oversight and execution of a project, the GEF Partner Agency (i.e. UNDP) must separate its project implementation oversight and execution duties, and describe in the relevant project document a: 1) Satisfactory institutional arrangement for the separation of implementation oversight and executing functions in different departments of the GEF Partner Agency; and 2) Clear lines of responsibility, reporting and accountability within the GEF Partner Agency between the project implementation oversight andexecution functions.

In this case, UNDP's implementation oversight role in the project – as represented in the project board and via the project assurance function – is performed by Country Office Resident Representative, Programme Analyst as programmatic oversight support and Programme Associate as financial oversight. UNDP's execution role in the project (as requested by the implementing partner and approved by the GEF) is performed by Project Manager, Project Coordination Associate and Portfolio Associate who will report to Resilience Team Leader.

Section 4: Roles and Responsibilities of the Project Organization Structure:

a) **Project Board:** All UNDP projects must be governed by a multi-stakeholder board or committee established to review performance based on monitoring and evaluation, and implementation issues to ensure quality delivery of results. The Project Board (also called the Project Steering Committee) is the most senior, dedicated oversight body for a project.

The two main (mandatory) roles of the project board are as follows:

1) **High-level oversight of the execution of the project by the Implementing Partner** (as explained in the "Provide Oversight" section of the POPP). This is the primary function of the project board and includes annual (and as-needed) assessments of any major risks to the project, and decisions/agreements on any management actions or remedial measures to address them effectively. The Project Board reviews evidence of project performance based on monitoring, evaluation and reporting, including progress reports, evaluations, risk logs and the combined delivery report. The Project Board is responsible for taking corrective action as needed to ensure the project achieves the desired results.
2) **Approval of strategic project execution decisions of the Implementing Partner** with a view to assess and manage risks, monitor and ensure the overall achievement of projected results and impacts and ensure long term sustainability of project execution decisions of the Implementing Partner (as explained in the "Manage Change" section of the POPP).

Requirements to serve on the Project Board:

- ✓ Agree to the Terms of Reference of the Board and the rules on protocols, quorum and minuting.
- ✓ Meet annually; at least once.
- ✓ Disclose any conflict of interest in performing the functions of a Project Board member and take all measures to avoid any real or perceived conflicts of interest. This disclosure must be documented and kept on record by UNDP.

- ✓ Discharge the functions of the Project Board in accordance with UNDP policies and procedures.
- ✓ Ensure highest levels of transparency and ensure Project Board meeting minutes are recorded and shared with project stakeholders.

Responsibilities of the Project Board:

- ✓ Consensus decision making:
  - o The project board provides overall guidance and direction to the project, ensuring it remains within any specified constraints, and providing overall oversight of the project implementation.
  - o Review project performance based on monitoring, evaluation and reporting, including progress reports, risk logs and the combined delivery report;
  - o The project board is responsible for making management decisions by consensus.
  - o In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.
  - o In case consensus cannot be reached within the Board, the UNDP representative on the board will mediate to find consensus and, if this cannot be found, will take the final decision to ensure project implementation is not unduly delayed.
- ✓ Oversee project execution:
  - o Agree on project manager's tolerances as required, within the parameters outlined in the project document, and provide direction and advice for exceptional situations when the project manager's tolerances are exceeded.
  - o Appraise annual work plans prepared by the Implementing Partner for the Project; review combined delivery reports prior to certification by the implementing partner.
  - o Address any high-level project issues as raised by the project manager and project assurance;
  - o Advise on major and minor amendments to the project within the parameters set by UNDP and the donor and refer such proposed major and minor amendments to the UNDP BPPS Nature, Climate and Energy Executive Coordinator (and the GEF, as required by GEF policies);
  - o Provide high-level direction and recommendations to the project management unit to ensure that the agreed deliverables are produced satisfactorily and according to plans.
  - o Track and monitor co-financed activities and realisation of co-financing amounts of this project.
  - o Approve the Inception Report, GEF annual project implementation reports and terminal evaluation reports.
  - o Ensure commitment of human resources to support project implementation, arbitrating any issues within the project.
- ✓ Risk Management:
  - o Provide guidance on evolving or materialized project risks and agree on possible mitigation and management actions to address specific risks.
  - o Review and update the project risk register and associated management plans based on the information prepared by the Implementing Partner. This includes related risks that can be directly managed by this project, as well as contextual risks that may affect project delivery or continued UNDP compliance and reputation but are outside of the control of the project. For example, social and environmental risks associated with co-financed activities or activities taking place in the project's area of influence that have implications for the project.
  - o Address project-level grievances.
- ✓ Coordination:
  - o Ensure coordination between various donor and government-funded projects and programmes.
  - o Ensure coordination with various government agencies and their participation in project activities.

Composition of the Project Board: The composition of the Project Board must include individuals assigned to the following three roles:

1. **Project Executive:** This is an individual who represents ownership of the project and chairs (or co-chairs) the Project Board. The Executive usually is the senior national counterpart for nationally implemented

projects (typically from the same entity as the Implementing Partner), and it must be UNDP for projects that are direct implementation (DIM). In exceptional cases, two individuals from different entities can co-share this role and/or co-chair the Project Board. If the project executive co-chairs the project board with representatives of another category, it typically does so with a development partner representative. The Project Executive is: **State Secretary at the Ministry of Environmental Protection.**

2. **Beneficiary Representative(s):** Individuals or groups representing the interests of those groups of stakeholders who will ultimately benefit from the project. Their primary function within the board is to ensure the realization of project results from the perspective of project beneficiaries. Often representatives from civil society, industry associations, or other government entities benefiting from the project can fulfil this role. There can be multiple beneficiary representatives in a Project Board. The Beneficiary representative (s) are: **Representatives of the SEPA and Ministry of Mining and Energy.**
3. **Development Partner(s):** Individuals or groups representing the interests of the parties concerned that provide funding, strategic guidance and/or technical expertise to the project. The Development Partner(s) is: **UNDP Resident Representative.**

b) **Project Assurance:** Project assurance is the responsibility of each project board member; however, UNDP has a distinct assurance role for all UNDP projects in carrying out objective and independent project oversight and monitoring functions. UNDP performs quality assurance and supports the Project Board (and Project Management Unit) by carrying out objective and independent project oversight and monitoring functions, including compliance with the risk management and social and environmental standards of UNDP. The Project Board cannot delegate any of its quality assurance responsibilities to the Project Manager. Project assurance is totally independent of project execution.

A designated representative of UNDP playing the project assurance role is expected to attend all board meetings and support board processes as a non-voting representative. It should be noted that while in certain cases UNDP's project assurance role across the project may encompass activities happening at several levels (e.g. global, regional), at least one UNDP representative playing that function must, as part of their duties, specifically attend board meeting and provide board members with the required documentation required to perform their duties. **The UNDP representative playing the main project assurance function is: Programme Analyst Climate Change & Environment, UNDP Serbia.** Programme Associate, UNDP Serbia will provide financial oversight.

c) **Project Management – Execution of the Project:** The Project Manager (PM) (also called Project Coordinator) is the most senior representative of the Project Management Unit (PMU) and is responsible for the overall day-to-day management of the project on behalf of the Implementing Partner, including the mobilization of all project inputs, supervision over project staff, responsible parties, consultants and sub-contractors. The project manager typically presents key deliverables and documents to the board for their review and approval, including progress reports, annual work plans, adjustments to tolerance levels and risk registers.

A designated representative of the PMU is expected to attend all board meetings and support board processes as a non-voting representative.

FINANCIAL PLANNING AND MANAGEMENT

The total cost of the project is **USD 1,750,000**. This is financed through a GEF grant of USD 1,450,000 administered by UNDP, USD 50,000 in cash co-financing to be administered by UNDP and additional support of USD 210,000 grant and USD 40,000 in-kind contribution from MoEP. UNDP, as the GEF Implementing Agency, is responsible for the oversight of the GEF resources and the cash co-financing transferred to UNDP bank account only.

Co-financing: The actual realization of project co-financing amounts will be monitored by the UNDP Country Office and the PMU on an annual basis in the GEF PIF and will be reported to the GEF during the terminal evaluation process as follows:

Co-financing source	Co-financing type	Name of Co-financier	Investment Mobilized	Co-financing amount
MoEP	Grant	Ministry of Environmental Protection	Investment mobilized	USD 210,000
MoEP	In-kind	Ministry of Environmental Protection	Investment mobilized	USD 40,000
UNDP	Cash (TRAC resources)	United Nations Development Programme	Investment mobilized	USD 50,000
Total				**USD 300,000**

Note that all project activities included in the project results framework that will be delivered by co-financing partners (even if the funds do not pass-through UNDP accounts) must comply with UNDP's social and environmental standards.

Budget Revision and Tolerance: As per UNDP POPP, the project board may agree with the project manager on a tolerance level for each detailed plan under the overall multi-year workplan. The agreed tolerance should be written in the project document or approved project board meeting minutes. It should normally not exceed 10 percent of the agreed annual budget at the activity level, but within the overall approved multi-year workplan at the activity level. Within the agreed tolerances, the project manager can operate without intervention from the project board. Restrictions apply as follows:

Should the following deviations occur, the Project Manager/IP through UNDP Country Office will seek the approval of the BPPS/NCE-VF team to ensure accurate reporting to the GEF. It is **strongly encouraged** to maintain the expenditures within the approved budget at the budgetary account and at the component level:

a) Budget reallocations must prove that the suggested changes in the budget will not lead to material changes in the results to be achieved by the project. A strong justification is required and will be approved on an exceptional basis. Budget re-allocations among the components (including PMC) of the approved Total Budget and Work Plans (TBWP) that represent a value greater than 10% of the total GEF grant.
b) Introduction of new outputs/activities (i.e. budget items) that were not part of the agreed project document and TBWP that represent a value greater than 5% of the total GEF grant. The new budget items must be eligible as per the GEF and UNDP policies.
c) Project management cost (PMC): budget under PMC component is capped and cannot be increased.

Any over expenditure incurred beyond the available GEF grant amount will be absorbed by non-GEF resources (e.g. UNDP TRAC or cash co-financing).

UNDP is not in a position to increase the total budget above the amount approved by the donor, therefore any over-expenditure would have to be absorbed from non-GEF resources by the Implementing Partner (GEF Executing Entity)

Project extensions: The UNDP-BPPS-VF Compliance Hub Executive Coordinator must approve all requests for extension of the Project Completion Date and for other milestone extensions with hard deadlines. All extensions impose additional time and cost burdens at all levels and the GEF project budget cannot be increased beyond its originally approved amount. A single extension may be granted on an exceptional basis and subject to the conditions and maximum durations set out in the UNDP POPP. The project management costs during the extension period must remain within the originally approved amount, and any increase in PMC costs shall be covered by non-GEF resources; the additional UNDP oversight costs during the extension period must be covered by non-GEF resources, in accordance with UNDP's policy as set out in UNDP POPP.

For any extension request, UNDP CO and IP will consult and jointly present a clear plan indicating how and from which specific sources the additional oversight costs that will be incurred by UNDP will be covered during the extended period. The BPPS-VF Compliance Hub Executive Coordinator will consult the Regional Bureaux (RBX) and may reject the extension request if no (external co-financing by the IP or internal UNDP CO resources) can be identified.

All extension requests, along with all supporting documentation, shall be submitted by the IP to the UNDP CO in line with the requirements and within the deadlines set out in the UNDP SOPs and policies in UNDP POPP.

Audit: The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies. Audit cycle and process must be discussed during the Inception workshop. If the Implementing Partner is an UN Agency, the project will be audited according to that Agencies applicable audit policies.

Transfer or disposal of assets: In consultation with the Implementing Partner and other parties of the project, UNDP is responsible for deciding on the transfer or other disposal of assets. Transfer or disposal of assets is recommended to be reviewed and endorsed by the project board following UNDP rules and regulations. Assets may be transferred to the government for project activities managed by a national institution at any time during the life of a project, however, **must be done before the operational closure date**. In all cases of transfer, a transfer document must be prepared and kept on file[8]. The transfer should be done before Project Management Unit completes their assignments.

Completion Date: The project completion date is the date of Project Document Signature plus project duration. This date can only be extended through a formal extension request. Prior to completion date, all UNDP-financed inputs must be provided and related activities for the Project completed. No activities, except for the final clearance of the Terminal Evaluation Report and the corresponding management response and the end-of-project review Project Board Meeting should take place after the Completion Date.

Project Closure: Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP. All costs incurred to close the project must be included in the project closure budget and reported as final project commitments presented to the Project Board during the final project review. The only costs a project may incur following the final project review are those included in the project closure budget.

- **Operational Closure**: **Operational closure must happen within 9 months from project completion date.** Prior to operational closure, the Terminal Evaluation must have been submitted and the corresponding TE management response and the end-of-project review Project Board meeting must have been completed. The Implementing Partner through a Project Board decision will notify the UNDP Country Office when operational closure has been completed. Before Operational Closure, the project must have completed the transfer or disposal of any equipment that is still the property of UNDP.
- **Financial Closure: Financial closure must happen within 6 months of operational closure or after the date of cancellation.** The project will be financially closed when the following conditions have been met: a) the project is operationally completed or has been cancelled; b) the Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP

[8] See https://popp.undp.org/ https://popp-prod.acquia.undp.org/policy-page/close-and-transition.

and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to BPPS/VF Compliance Hub for confirmation before the project will be financially closed in Quantum by the UNDP Country Office.

Cancellation and Suspension: All projects considering going through cancellation or suspension must follow UNDP and GEF requirements. Guidance can be found in the UNDP POPP (SOPs for management actions of Vertical Fund projects escalated to the Executive Coordinator and Guidance for GEF project revisions).

Refund to GEF: Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the BPPS/NCE team Directorate in New York. No action is required by the UNDP Country Office on the actual refund from UNDP project to the GEF. Unspent project balance is not permitted to be transferred to any other projects.

TOTAL BUDGET AND WORK PLAN

Table 6. Total Budget and Work Plan

Total Budget and Work Plan			
Quantum Business Unit	UNDP-SRB		
Quantum Project ID:	01004830	Quantum Project Title:	Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2 – Government Cost-Sharing (GCS)
Quantum Award ID:	1482421	Quantum Award Title:	SRB_GVTSRB_GCS_01004830
Implementing Partner	Ministry of Environmental Protection		

EXPECTED OUTPUTS	**PLANNED ACTIVITIES**	**Planned Budget by Year**			**RESPONSIBLE PARTY**	**PLANNED BUDGET**		
		Y1 (2025)	Y2 (2026)	Y3 (2027)		Funding Source	Budget Description	Amount
Output 1: Strengthening Serbia's Policy and Regulatory Framework	1.1 An analysis of ETF requirements conducted, ensuring gender considerations are included, and recommendations for improving the existing regulatory framework provided	9,990	--	--	UNDP	MoEP (Cost sharing 30071)	71300 Local consultants	9,990
	1.2 Based on recommendations, the existing climate change regulatory framework strengthened to align with the ETF requirements and transparent climate change monitoring and reporting requirements	--	5,000	5,000	UNDP	MoEP (Cost sharing 30071)	71400 Contractual services – Individuals	10,000
	1.3 An analysis of the potential to integrate Climate change into sectoral legislative framework at the national and local levels conducted, considering gender-specific vulnerabilities and capacities	--	5,000	5,000	UNDP	MoEP (Cost sharing 30071)	71600 Travel	10,000
	1.4 Institutional framework in Serbia strengthened governed by clear and formal roles and responsibilities, including specific suggestion how to improve gender balance in governance	5,000	--	5,000	UNDP	MoEP (Cost sharing 30071)	72100 Contract Companies	10,000
	1.5 The policy framework for tracking, monitoring and transparently reporting on Serbia's 2025 NDC (NDC 3.0) implementation is strengthened, enhancing	5,000	--	--	UNDP	MoEP (Cost sharing 30071)	75700 Training and workshop	5,000

	transparency and accountability of its climate actions							
	1.6 Mechanisms for assessing and reporting the socioeconomic and gender impacts of climate policies and actions are proposed, along with a system for tracking support needed and received.	1,000	2,000	1,000	UNDP	MoEP (Cost sharing 30071)	74500 Miscellaneous	4,000
Sub-Total for Output 1								**48,990**
Output 2: Use country specific tools and data to enhance Serbia's Climate Change Transparency System	2.1 Compliance of the MRV-CIS system assessed against the latest national, EU and UNFCCC requirements and the system amended, revised or updated as needed	10,000	--	10,000	UNDP	MoEP (Cost sharing 30071)	71200 International consultants	20,000
	2.2 Operationalization of the MRV-CIS system, including data collection and management, monitoring and evaluation module of the system, incorporating SMART and gender – sensitive indicators and potential synergy with other tools in the country	5,000	10,000	5,000	UNDP	MoEP (Cost sharing 30071)	72100 Contract Companies	20,000
	2.3 Initiating development of national GHG emissions projection system based on comprehensive assessments	--	1,000	1,000	UNDP	MoEP (Cost sharing 30071)	74200 Audio Visuals	2,000
	2.4 Country specific tools, methodologies, guidelines, protocols and templates for data collection, monitoring and reporting improved or developed, including quality assurance and quality control processes and integration of sectoral data, such as local climate actions	--	2,500	2,500	UNDP	MoEP (Cost sharing 30071)	75700 Training and workshop	5,000
Sub-Total for Output 2								**47,000**
Output 3: Capacity building to support transparency-related activities over time	3.1 Climate change capacity and competency needs assessment for governmental institutions, public enterprises and the industry sector conducted at institutional and individual levels	9,990	--	--	UNDP	MoEP (Cost sharing 30071)	71300 Local consultants	9,990

	3.2 Gender training package designed and implemented in thematic areas – publications, brochures, leaflets	--	1,000	1,500	UNDP	MoEP (Cost sharing 30071)	74200 Audio Visuals	2,500
	3.3 Sustainable methods identified to mainstream climate change into education and training systems, for expanding green skills on a larger scale in both formal and informal channels	10,000	10,000	--	UNDP	MoEP (Cost sharing 30071)	71600 Travel	20,000
	3.4 Gender sensitive communication plan for the project designed and implemented to enhance public awareness of climate change	--	5,000	5,000	UNDP	MoEP (Cost sharing 30071)	71400 Contractual Services – Individuals	10,000
	3.5 Comprehensive Knowledge Management Plan for the project designed and implemented	2,500	--	2,500	UNDP	MoEP (Cost sharing 30071)	75700 Training and workshop	5,000
Sub-Total for Output 3								**47,490**
Output 4: Monitoring and Evaluation (M&E)	4.1 Project results and outcomes monitored and evaluated	--	--	9,990	UNDP	MoEP (Cost sharing 30071)	71300 Local consultants	9,990
		--	10,000	10,000	UNDP	MoEP (Cost sharing 30071)	71400 Contractual Services – Individuals	20,000
Sub-Total for Output 4								**29,990**
Project Management Cost (PMC)	PMC	2,546.35	9.526,35	8.632,06	UNDP	MoEP (Cost sharing 30071)	71400 Contractual services – Individuals	20.704,76
Sub-Total for Project Management								
Total programmable per year		61,026.35	61,026.35	72,122.06				194,174.76
Direct Project Costs		3,051.32	3,051.32	3,606.10				9,708.74
General Management Support		1,922.33	1,922.33	2,271.84				6,116.50
GRAND TOTAL PER YEAR		66,000.00	66,000.00	78,000.00				210,000.00
TOTAL								210,000.00

LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government Socialist Federal Republic of Yugoslavia - SFRY (the Republic of Serbia as the legal successor of the SFRY) and UNDP, signed on 24 March 1988. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

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

RISK MANAGEMENT

Implementing Partner is a Government Entity (NIM)

1. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
   a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
   b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list.

4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

   (a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

   (b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:

   i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

   ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;

iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

v. Promptly and confidentially, record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).

7. The Implementing Partner shall: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds.

10. In the implementation of the activities under this Project Document, UNDP places reasonable reliance upon the Implementing Partner for it to apply its laws, regulations and processes, and applicable international laws regarding anti money laundering and countering the financing of terrorism, to ensure consistency with the principles of then in force the UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy.

11. The Implementing Partner will ensure that its financial management, anti-corruption, anti-fraud and anti-money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.

12. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

13. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

14. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

15. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail the Implementing Partner's obligations under this Project Document.

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

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

16. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

17. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

18. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, mutatis mutandis, in all sub-contracts or sub-agreements entered into further to this Project Document.

Special Clauses

1. The schedule of payments and UNDP bank account details.

UNDP Representative in Serbia USD Account
Bank of America, 1401 Elm St, Dallas TX 75202-2958
Account number: 3752174582
SWIFT: BOFAUS3N
ACH routing number: 111000012
Wire routing number: 026009593

Date payment due	Amount (stated currency)
(a) by 31 December 2025	66,000.00 USD

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UNDP of the payment, the value of the balance of funds still held at that time will be adjusted accordingly. If, in such a case, a loss in the value of the balance of funds is recorded, UNDP shall

inform the Government with a view to determining whether any further financing could be provided by the Government. Should such further financing not be available, the assistance to be provided to the project may be reduced, suspended or terminated by UNDP.

3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended to be consistent with the progress of project delivery.

4. UNDP shall receive and administer the payment in accordance with the regulations, rules and directives of UNDP.

5. All financial accounts and statements shall be expressed in United States dollars.

6. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to the government on a timely basis a supplementary estimate showing the further financing that will be necessary. The Government shall use its best endeavours to obtain the additional funds required.

7. If the payments referred above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 6 above is not forthcoming from the Government or other sources, the assistance to be provided to the project under this Agreement may be reduced, suspended or terminated by UNDP.

8. Any interest income attributable to the contribution shall be credited to UNDP Account and shall be utilized in accordance with established UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board:

The contribution shall be charged:

(a) 3% cost recovery for the provision of general management support (GMS) by UNDP headquarters and country offices

(b) Direct cost for implementation support services (ISS) provided by UNDP and/or an executing entity/implementing partner.

9. Ownership of equipment, supplies and other properties financed from the contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

10. The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP."

ANNEXES

1. Project Quality Assurance Report
2. UNDP Social and Environmental Screening Procedure (SESP)
3. UNDP Risk Register
4. LOA between UNDP and the Ministry of Environmental Protection

Annex 1: Project Quality Assurance Report
Attached as a separate document.

Annex 2: UNDP Social and Environmental Screening Procedure (SESP)

Attached as a separate document.

Annex 3: UNDP Risk Register

Project Title: Strengthening capacities in Serbia to comply with the Enhanced Transparency Framework under the Paris Agreement - CBIT 2	**Project Number:** 01002800	**Date: 26-Sep-24**

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level *(see Annex 3 Risk Matrix)*	Risk Valid From/To	Risk Owner *(individual accountable for managing the risk)*	Risk Treatment and Treatment Owner
1	Lack of continuity and commitment to the project among policymakers	As a result of prolonged election processes and frequent government turnovers, as well as new officials' limited understanding of the project's objectives or their different priorities.	Potential impacts: delays, changes in project direction, or reduced funding support. Additionally, potential loss of knowledge and expertise in the area of MRV as a result high staff turnover in governmental institutions could also negatively impact the long-term sustainability of the established MRV system.	7. STRATEGIC (7.6. Change/turnover in government) - UNDP Risk Appetite: OPEN TO SEEKING	Likelihood: 2 - Low likelihood Impact: 3 - Intermediate Risk level: LOW (equates to a risk appetite of CAUTIOUS)	From: 2025 To: 2028	Project Manager	Risk Treatment 1.1: Regular briefings and workshops for policymakers are planned in project activities, to increase their understanding of the project's importance, objectives, and potential impacts. Risk Treatment Owner: Project Manager
								Risk Treatment 1.2: A comprehensive communication plan for the project shall be developed to ensure continuous engagement with policymakers and key stakeholders throughout government turnover periods. Risk Treatment Owner: Project Manager
								Risk Treatment 1.3: Partnerships with non-governmental organizations and civil society

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level *(see Annex 3 Risk Matrix)*	Risk Valid From/To	Risk Owner *(individual accountable for managing the risk)*	Risk Treatment and Treatment Owner
								groups shall be established to advocate for the project's continuity and importance across political transitions. Risk Treatment Owner: Project Manager
								Risk Treatment 1.4: Training materials and manuals shall have open access, will be easily accessible for newcomers to prevent loss of knowledge and institutional memory. Risk Treatment Owner: Project Manager
2	Resistance and uncertainty among key stakeholders, or adverse effects associated with introducing new/innovative ideas, practices, or approaches in the design or implementation of climate	As a result of resistance and uncertainty among key stakeholders, or adverse effects associated with introducing new innovative approaches	Which will impact in lack of innovation in project implementation.	7. STRATEGIC (7.8. Innovating, piloting, experimenting) - UNDP Risk Appetite: OPEN TO SEEKING	Likelihood: 2 - Low likelihood Impact: 3 - Intermediate Risk level: LOW (equates to a risk appetite of CAUTIOUS)	From: 2025 To: 2028	Project Manager	Risk Treatment 2.1: Develop and implement a comprehensive training and mentorship programme to enhance the skills and knowledge of staff involved in the MRV process. Risk Treatment Owner: Project Manager
								Risk Treatment 2.2: Foster a culture of knowledge sharing and learning from both successes and

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level *(see Annex 3 Risk Matrix)*	Risk Valid From/To	Risk Owner *(individual accountable for managing the risk)*	Risk Treatment and Treatment Owner
	policies and institutional frameworks, may hamper the project implementation .	during project implementation.						failures to improve future innovation efforts. Risk Treatment Owner: Project Manager
								Risk Treatment 2.3: Utilize a range of innovative tools to scale up data collection and analyse results, demonstrating how innovative approaches can simplify data comprehension and utilization, making it more accessible and understandable for all users. Risk Treatment Owner: Project Manager
3	MoEP lacks management experience necessary to ensure the full, participatory, and gender-sensitive implementation of all project activities.	As a result of lack of staff and frequent staff turnover	Which will impact in delays and quality of project implementation.	3. OPERATIONAL (3.8. Capacities of the partners) - UNDP Risk Appetite: EXPLORATORY TO OPEN	Likelihood: 4 - Highly likely Impact: 4 - Extensive Risk level: MODERATE (equates to a risk appetite of EXPLORATORY)	From: 2025 To: 2028	Project Manager	Risk Treatment 3.1: The project will be executed under the CO's support to the NIM modality. Any risks will be addressed through UNDP's execution support, as outlined in the Letter of Agreement for support services (Annex 11). Risk Treatment Owner: UNDP
								Risk Treatment 3.2: Focus project activities on building structures and capacities in key

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level *(see Annex 3 Risk Matrix)*	Risk Valid From/To	Risk Owner *(individual accountable for managing the risk)*	Risk Treatment and Treatment Owner
								governmental institutions for the implementation of other GEF projects Risk Treatment Owner: UNDP
4	Fiduciary execution.	As a result of Inadequate financial reporting and transparency	Which will impact in loss of credibility and trust among stakeholders.	2. FINANCIAL (2.2. Value for money) - UNDP Risk Appetite: MINIMAL TO CAUTIOUS	Likelihood: 1 - Not likely Impact: 2 - Minor Risk level: LOW (equates to a risk appetite of MINIMAL)	From: 2025 To: 2028	Project Manager	Risk Treatment 4.1: UNDP has well-established systems in place to prevent any fiduciary issues in a trustworthy and responsible manner. This ensures that project funds are used by adhering to transparency and accountability. Risk Treatment Owner: UNDP
5	Inadequate stakeholder engagement	As a result of limited resources of stakeholders (insufficient time or human capacity)	Which will impact in undermining the long-term sustainability of the project's outcomes, as stakeholders are less likely to continue efforts after the project concludes	3. OPERATIONAL (3.8. Capacities of the partners) - UNDP Risk Appetite: EXPLORATORY TO OPEN	Likelihood: 2 - Low likelihood Impact: 3 - Intermediate Risk level: LOW (equates to a risk appetite of CAUTIOUS)	From: 2025 To: 2028	Project Manager	Risk Treatment 5.1: A detailed stakeholder engagement plan is provided in the Project Document, to ensure comprehensive and inclusive involvement throughout the project lifecycle. This plan identifies key stakeholders, their interests, and the strategies to engage with them effectively. Additionally, regular reviews and updates of the plan should be conducted to address any emerging stakeholder concerns or changing dynamics.

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level *(see Annex 3 Risk Matrix)*	Risk Valid From/To	Risk Owner *(individual accountable for managing the risk)*	Risk Treatment and Treatment Owner
								Risk Treatment Owner: Project Manager

Annex 4: LOA between UNDP and the Ministry of Environmental Protection

Attached as a separate document.