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United Nations Development Programme

Country/Region/Global: Serbia

Initiation Plan

Project Title: From Pledge to Impact - Serbia

Expected UNDAF/CP Outcome(s): Outcome 3: Serbia adopts and implements climate change and environmentally friendly strategies that increase community resilience, decrease carbon footprint and boost the benefits of national investments.

Expected CPD Output(s): CPD Outcome 3. Strengthen resilience to shocks and crises
CPD Outcome 1: Structural transformation accelerated, particularly green, inclusive, and digital transitions

Initiation Plan Start/End Dates: 31 October 2025 – 31 December 2026

Implementing Partner: Ministry of Environmental Protection

Brief Description

Aim of the Initiation Plan is to deliver comprehensive Climate Investment Plan that will prioritize Serbia's climate mitigation and adaptation investments aligned with Nationally Determined Contributions (NDC), National Adaptation Plan (NAP), Long-Term Strategy (LTS) and National Energy and Climate Plan (NECP) commitments. The Plan will integrate quantitative cost analysis, gender responsive prioritization framework, nature-based solutions, climate finance mobilization strategy and European Union (EU) accession requirements into a coherent investment roadmap. Through systemic analysis of investment needs across sectors, application of multiple criteria, and mapping of diverse financing resources, the plan will provide basis for mobilizing climate finance effectively. The plan will be aligned with national climate ambitions, EU integration requirements, including Carbon Border Adjustment Mechanism (CBAM) and Emissions Trading System (ETS) and available financial mechanisms while mainstreaming gender equality and ecosystem based approaches thought climate investments.

Programme Period:	2021 - 2025
Quantum Project ID:	01005100
Quantum Award:	00148074
Gender Marker:	GEN1

Total resources required	324,000.00
Total allocated resources:	324,000.00
• Other:	
○ Donor	324,000.00
Unfunded budget:	0.00
In-kind Contributions	0.00

Agreed by UNDP

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I. PURPOSE AND EXPECTED OUTPUT

Serbia faces critical challenges in translating its climate commitments under the Paris Agreement, NDC, NAP, LTS and NACP into specific investments. While national climate strategies define ambitious goals, gaps exist between strategic intentions and actionable investment plans that can attract domestic and international climate finance. Therefore, it is necessary to develop comprehensive Climate Investment Plan that will increase ability of Serbia to access international finance mechanisms, enable alignment of climate investments with EU accession requirements including CBAM and ETS implementation, mobilize private sector investments, ensure gender responsive climate investments, integrate nature-based solutions into adaptation strategies and coordinate climate financing across government institutions.

Key challenges are limited capacity to access international finance mechanisms, need to integrate climate investments with EU accession obligations including CBAM and ETS implementation, insufficient incentives for mobilizing private capital for climate investments, inadequate addressing gender-specific vulnerabilities, fragmented climate financing across government institutions, no evidence based framework for prioritizing climate investments. These challenges constrain Serbia's ability to meet its international climate commitments, advance EU accession objectives, build climate resilience and increase economic opportunities for green transition.

Aim of the Initiation Plan is to develop comprehensive Climate Investment Plan that will provide Serbian government and stakeholders with a strategic, prioritizes and financially feasible roadmap for climate investments that translates national climate commitments into specific, fundable projects while ensuring gender equality, environmental sustainability and alignment with EU accession requirements.

Key assumptions are government commitments to climate action and investment plans, capacity of government institutions to develop capacity to implement prioritized climate investments, accessibility to international climate finance and private capital, active participation of key stakeholders in planning process and implementation, sufficiency of regulatory and policy framework to enable investment planning, sufficient data to support evidence based investment analysis and prioritization.

Initiation Plan must be well structures to develop Climate Investment Plan that will meet Serbia's climate financing needs in short and midterm period.

Expected output are:

Output 1: National Climate Investment Plan for mitigation and adaptation

1.1 Analysis of cost and investment needs for priority mitigation and adaptation actions ;

1.2 Design a prioritization framework tailored to Serbia's context e.g. Multi-Criteria Analysis (MCA), Marginal Abatement Cost Curve (MACC), Risk-Impact Matrix, including gender - specific vulnerabilities and capacities;

1.3 Develop climate adaptation investment analysis integrating Nature based solutions (NBS) and ecosystem based adaptation approaches;

1.4 Develop a climate finance mobilization strategy, including potential sources such as Green Climate Fund (GCF), Global Environment Facility (GEF), International Financial Institutions (IFIs), commercial banks, private sector, green bounds, green funds, co-financing options, and access modalities;

1.5 Integrate EU accession priorities presented in the National Programme for the Adoption of the Acquis (NDAA), CBAM Regulation, Directive Specific Implementation Plan for the ETS, into NDC investment planning;

1.6 Finalize and submit the Climate Investment Plan, integrating all validated components.

Output 2: Policy, regulatory, and institutional landscape analysis to identify investment barriers and enabling conditions

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2.1 Conduct a policy and regulatory and institutional landscape analysis, including gender consideration, to identify investment barriers and enabling conditions;

2.2 Organizing a consultation workshop with stakeholders.

Output 3: Communication

3.1 Climate Investment Plan Communication Engagement Strategy

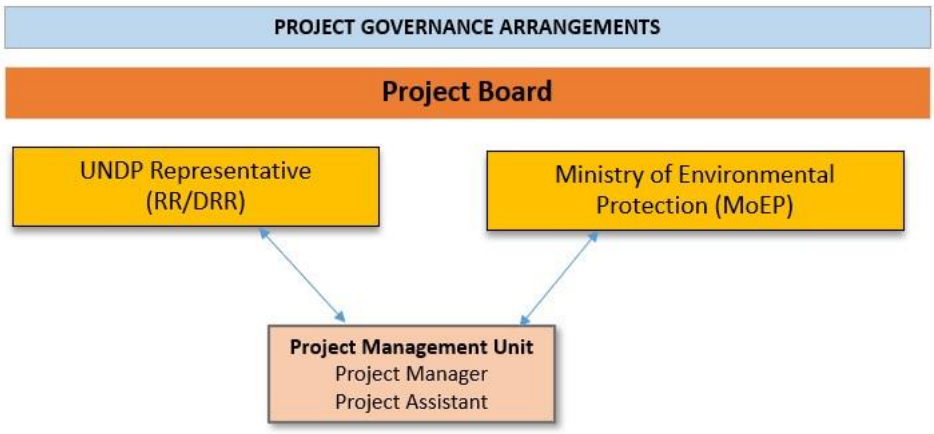
Output 4: Project management

Expected outcomes shall contribute to Global Output 1.3: Inclusive and gender-responsive financing strategies, plans or investment frameworks developed to define and mobilise diverse sources of finance (international/domestic public/Private sector) to support implementation of NDC actions and drive green recovery across key sectors and Global Output 1.4: Data and transparency systems and processes for the Enhanced Transparency Framework established or strengthened to measure the achievement of NDC targets. Therefore, the Initiation Plan is linked with Output Indicator: 1.3.1 Number of countries which have developed climate finance strategies/plans, including those linked to Integrated National Financing Frameworks, development plans and/or green recovery strategies, and those that are gender-responsive and Output Indicator: 1.3.3 Number of countries that have developed or strengthened policies or measures that are conducive to the mobilization of private capital for NDC implementation.

II. MANAGEMENT ARRANGEMENTS

The Project Board will provide strategic direction, approves results and changes, and ensure project alignment with national priorities and UNDP standards. The Board will meet semi-annually. The Project Board will consist of UNDP representative - Resident Representative (RR) or Deputy Resident Representative (DRR) and representative of the Ministry of Environmental Protection. The Board will review and approve annual workplans and budget revision, provide strategic guidance on stakeholder engagement and partnerships, monitor progress against objectives, ensure alignment with national climate policies.

The Project Management Unit manages day-to-day activities, coordinates stakeholders, ensure quality delivery, expenditure tracking and maintains compliance with UNDP procedures. Project Management Unit (PMU) will be based within the Ministry of Environmental Protection office.



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III. MONITORING

The monitoring system ensures systemic tracking pf progress, quality assurance, risk management and accountability through the initiation phase. Monitoring objectives are to track completion of activities against agreed timeline and budget; assess quality of outputs, identify and address emerging risks or implementation challenges, ensure stakeholders engagement and government ownership, document lessons learned.

The Project Board will meet once in 6 months to review progress against objectives, assess quality of outputs, review stakeholders' engagement, evaluate budget execution, discuss major risks and approve mitigation strategies, approve adaptations to workplan if needed and provide strategic guidance.

PMU will document stakeholders' feedback to identify recommendations and issues for project design adjustments.

PMU will update risk register and add new risks if emerge during implementation.

PMU will develop final Initiation Phase Report, as comprehensive assessment of initiation outcomes. Initiation Report will contain objective achievement, summary of the outputs, management arrangement assessment, stakeholders engagement outcomes, risk management, lessons learned and recommendations.

This monitoring framework ensures systematic oversight, quality assurance and adaptive management providing foundation for successful implementation of objectives.

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IV. WORK PLAN

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME					RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4	Q5		Funding Source	Budget Description	Amount
Output 1: National Climate Investment Plan for mitigation and adaptation	1.1. Analysis of cost and investment needs for priority mitigation and adaptation actions	X	X				UNDP	28708	71300 Local Consultant	9,800.00
								28708	72100 Contractual Services Companies	20,000.00
	1.2 Design a prioritization framework tailored to Serbia's context (e.g. MCA, MACC, Risk-Impact Matrix), including gender - specific vulnerabilities and capacities			X			UNDP	28708	71400 Contractual Services Individuals	12,687.17
								28708	72100 Contractual Services Companies	30,000.00
	1.3 Develop climate adaptation investment analysis integrating nature-based solutions (NBS) and ecosystem based adaptation approaches		X	X			UNDP	28708	71300 Local Consultants	8,000.00
									72100 Contractual Services Companies	30,000.00
	1.4 Develop a climate finance mobilization strategy, including potential sources (GCF, GEF, IFIs, commercial banks, private sector, green bounds, green funds), co-financing options, and access modalities				X		UNDP	28708	71400 Contractual Services Individuals	14,274.97
									71300 Local Consultants	9,500.00
									72100 Contractual Services Companies	65,000.00
	1.5 Integrate EU accession priorities presented in the National Programme for the Adoption of the Acquis (NDAA), CBAM Regulation, Directive Specific Implementation Plan for the ETS, into NDC investment planning		X	X	X		UNDP	28708	72100 Contractual Services Companies	17,500.00
	1.6 Finalize and submit the Climate Investment Plan, integrating all validated components;					X	UNDP	28708	71300 Local Consultants	9,950.00
									71400 Contractual Services Individuals	8,050.00
	Sub-Total for Output 1									

EXPECTED OUTPUTS	PLANNED ACTIVITIES	TIMEFRAME					RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4	Q5		Funding Source	Budget Description	Amount
Output 2: Policy, regulatory, and institutional landscape analysis to identify investment barriers and enabling conditions	2.1 Conduct a policy and regulatory and institutional landscape analysis, including gender consideration, to identify investment barriers and enabling conditions	X	X				UNDP	28708	71400 Contractual Services Individuals	4,000.00
									72100 Contractual Services Companies	17,000.00
	2.2 Organizing a consultation workshop with stakeholders			X				28708	71400 Contractual Services Individuals	3,000.00
									72100 Contractual Services Companies	23,000.00
	Sub-Total for Output 2									
Output 3: Communications *3*	Activity 3.1 Climate Investment Plan Communication Engagement Strategy	X	X	X	X	X	UNDP	28708	71300 Local Consultants	9,500
Direct Project Costs		0						28708		8,737.86
General Management Support		0						28708		24,000
TOTAL	0									324,000.00

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V. 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

Outcome indicators as stated in the Country Programme Results and Resources 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: From Pledge to Impact- Serbia; 01005100/00148074

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)						DATA COLLECTION METHODS & RISKS
			Value	Year	Q1	Q2	Q3	Q4	Q5	FINAL	
Output 1: National Climate Investment Plan for mitigation and adaptation	*1.1 Number of* analyses of cost and investment needs for priority mitigation and adaptation actions developed	*Project reports*	0	2025		1				*1*	*Review of national documents and strategies. No specific risks or assumptions are identified for this indicator because achieving the target is highly feasible within the project framework*
	1.2 Number of climate adaptation investment analysis integrating nature-based solutions (NBS) and ecosystem based adaptation approaches developed	*Project reports*	*0*	*2025*			*1*			*1*	*Review of national documents and strategies. No specific risks or assumptions are identified for this indicator because achieving the target is highly feasible within the project framework*
	1.3 Number of a climate finance mobilization strategy, with co-financing options and access modalities, developed	*Project reports*	*0*	*2025*				*1*		*1*	*Review of analysis, project documentation, validation with stakeholders. Potential risks are delays in stakeholders' consultations, limited data available and changes in national priorities*
	1.4 Number of National Climate Investment Plan for Serbia developed	*Project reports*	0	2025					*1*	*1*	*Review of analysis, project documentation, validation*

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EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)						DATA COLLECTION METHODS & RISKS
			Value	Year	Q1	Q2	Q3	Q4	Q5	FINAL	
											with stakeholders. Potential risks are delays in stakeholders' consultations, limited data available and changes in national priorities
Output 2: Policy, regulatory, and institutional landscape analysis to identify investment barriers and enabling conditions	*2.1 Number of analysis of investment barriers and enabling conditions developed*	*Project reports*	0	2025		1				*1*	*Review of national documents and strategies. No specific risks or assumptions are identified for this indicator because achieving the target is highly feasible within the project framework*
	2.2 Number of consultation workshops with stakeholders organized	*Attendance sheets, Minutes of meetings*	*0*	*2025*		*1*	*2*	*1*	*1*	*5*	*Agendas, reports, participant lists disaggregated by stakeholders and gender. Risk can be low stakeholders' participation.*
Output 3: Communications	*3.1 Number of Climate Investment Plan Communication Engagement Strategy developed*	*Project reports*	*0*	*2025*					*1*	*1*	*No specific risks or assumptions are identified for this indicator because achieving the target is highly feasible within the project framework*

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VI UNDP Risk Register

Project Title: From Pledge to Impact- Serbia	**Project Number:** 01005100/00148074	**Date:** 12-Nov-25

#	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, changes in priorities	7. STRATEGIC 7.6 Turnover in government	Likelihood: 2 - Low likelihood Impact: 3 - Intermediate Risk level: LOW	From: 2025 To: 2026	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
2	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 Capacity of partners	Likelihood: 2 - Low likelihood Impact: 3 - Intermediate Risk level: LOW	From: 2025 To: 2026	Project Manager	Risk Treatment 2.1: A detailed stakeholder engagement plan will be developed to ensure comprehensive and inclusive involvement throughout the project lifecycle. This plan will identify key stakeholders, their interests, and the strategies to engage with them effectively. Additionally, regular reviews and updates of the plan should

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#	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
								be conducted to address any emerging stakeholder concerns or changing dynamics. Risk Treatment Owner: Project Manager