



Development of North Macedonia's First Biennial Transparency Report and the combined Second Biennial Transparency Report and Fifth National Communication on climate change under the UNFCCC (BTR1 and BTR2/NC5)

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

11502

Countries

North Macedonia

Project Name

Development of North Macedonia's First Biennial Transparency Report and the combined Second Biennial Transparency Report and Fifth National Communication on climate change under the UNFCCC (BTR1 and BTR2/NC5)

Agencies

UNDP

Date received by PM

2/28/2024

Review completed by PM

3/6/2024

Program Manager

Toshiyuki Yamasaki

Focal Area

Climate Change

Project Type

EA

Expedited Enabling Activity req (CEO)

Section I - Enabling Activity Summary

Funding elements.

Is the enabling activity aligned with the relevant GEF funding elements as indicated in Table A and as defined by the GEF-8 Programming Directions? Is the General Enabling Activity Information table correctly populated?

Secretariat's Comments

Toshi 3/14/2024:

Yes. This project is aligned with the GEF-8 climate change focal area strategy.

Agency's Comments

Cost Ranges.

If there was a deviation in the cost range, was this explained?

Secretariat's Comments

Toshi 3/14/2024:

Cleared. The project has no deviations in the cost range. The costing is in line with Information Note GEF/C.62/Inf.15 - <https://www.thegef.org/council-meeting-documents/gef-c-62-inf-15>

Agency's Comments

Enabling activity summary.

Is the enabling activity summary clear? Are the components in Table B and as described in the enabling activity request sound, appropriate, and sufficiently clear to achieve the project objectives?

Secretariat's Comments

Toshi 4/1/2024:

Thank you. Cleared.

Toshi 3/14/2024:

Gender considerations shall be mainstreamed on relevant project outputs (e.g., 1.1.3, 2.12, 2.1.3). Please adjust the outputs accordingly.

And also, in outputs 1.1.4 and 2.1.4, please revise the reference to gender to "on gender mainstreaming or gender-related data and required interventions" (or similar phrasing). Please ensure that the Gender Action Plan is developed, monitored, and reported on.

Agency's Comments

Agency Response - 26 March 2024:

In line with the GEFSEC comment, the adjustments have been made in the related outputs (both in the EA Request & Agency Project Document). Gender Action Plan is developed, and it will be regularly monitored and reported as part of the annual project progress reports.

****Gender considerations and collection of gender sensitive data under this project is expected to be based on gender binary data, i.e., men/women.**

Section 2 - Enabling Activity Supporting Information

Eligibility Criteria.

Is this enabling activity eligible for GEF funding?

Secretariat's Comments

Toshi 3/14/2024:

Yes.

Agency's Comments

Institutional framework.

Are the institutional arrangements for implementation adequately described?

Secretariat's Comments

Toshi 4/1/2024:

Thank you. Cleared.

Toshi 3/14/2024:

As explained in the Institutional Framework section, the GEF Secretariat approved the request from the OFP of North Macedonia so UNDP could provide limited execution services for this project on an exceptional basis for \$37,120. While these execution services are listed as a budget line in Annex B, it is unclear why UNDP is responsible for the rest of the budget lines. There seems to be a footnote in the right column of the budget table (Responsible Entity) with the reference of "[1]", but we couldn't find the explanation for this footnote in the portal form or in the Word or Excel versions of the document that have been uploaded. Please clarify in Annex B why UNDP appears responsible for several budget lines totaling \$553,000 or amend them as appropriate.

Agency's Comments

Agency Response - 26 March 2024:

The project will be executed under Country Office Support to NIM modality as communicated with and approved by the GEF Secretariat.

A footnote explanation is added under GEF budget table (in the online Portal) to clarify that UNDP will be the entity to process the payments and provide the execution support services to the project based on the request of Ministry of Environment and Physical Planning (MOEPP).

The Ministry of Environment and Physical Planning (MOEPP) as the Executing Entity (Implementing Partner in UNDP terminology) will maintain ultimate responsibility and accountability for the use of GEF resources and the successful achievement of project outputs, in alignment with the approved annual work plans. Related reference is also available in the Agency Project Document:

?UNDP will be providing execution support to the Executing Entity Ministry of Environment and Physical Planning (MOEPP). for these activities, as requested by the GEF Operational Focal Point of North Macedonia. UNDP will use its own operational rules and guidelines for these activities. The Executing Entity will maintain ultimate responsibility and accountability for the use of GEF resources and the successful achievement of project outputs, in alignment with the approved annual work plans.?

The footnote mentioned in GEF Programme Manager's comment is a standard clause that is inserted by the GEF Secretariat in GEF budget template (it is available at the bottom of the sheet).

Additionally, Responsible Parties are entitled to manage the funds that they will receive as per the responsible party engagement rules.

Monitoring and Evaluation.

Does the project include a budgeted M&E Plan?

Secretariat's Comments

Toshi 3/14/2024:

Yes. The M&E budget for the project is \$15,000.

Agency's Comments

Section 3. Information Tables

GEF resource availability.

Is the proposed GEF financing in Table F (including the Agency fee) in line with GEF policies and guidelines?

Secretariat Comment at PIF/Work Program Inclusion

Toshi 3/14/2024:

Yes.

Agency Response

Are they within the resources available from (mark all that apply):

STAR allocation?

Secretariat's Comments

N/A.

Agency's Comments

Focal Area allocation?

Secretariat's Comments

N/A.

Agency's Comments

LDCF under the principle of equitable access?

Secretariat's Comments

N/A.

Agency's Comments

SCCF (Adaptation or Tech Transfer)?

Secretariat's Comments

N/A.

Agency's Comments

Focal Area Set Aside?

Secretariat's Comments

Toshi 3/14/2024:

Yes. This is in line with Information Note

GEF/C.62/Inf.15 - <https://www.thegef.org/council-meeting-documents/gef-c-62-inf-15>

Agency's Comments

Rio Markers.

Are the Rio Markers for CCM ,CCA, BD and LD presented?

Secretariat's Comments

Toshi 3/14/2024:

Yes.

Agency's Comments

Country endorsement.

Has the project been endorsed by the country's GEF Operational Focal Point at the time of the EA submission and has the name and position been checked against the GEF database? Are the endorsed amounts consistent with the amounts included in Portal

Secretariat's Comments

Toshi 3/14/2024:

Yes, the project has been endorsed by the country's GEF OFP and the endorsed amounts are consistent with the amounts in the Portal.

Agency's Comments

Response to Comments

Are all the comments adequately responded to? (only as applicable)

Gef Secretariat comments

Secretariat's Comments

N/A.

Agency's Comments

Other Agencies comments

Secretariat's Comments

N/A.

Agency's Comments

Council comments

Secretariat's Comments

N/A.

Agency's Comments

STAP comments

Secretariat's Comments

N/A.

Agency's Comments

Convention Secretariat comments

Secretariat's Comments

N/A.

Agency's Comments

CSOs comments

Secretariat's Comments

N/A.

Agency's Comments

Project Budget Table.

Is the project budget table attached? Are the activities / expenditures reasonably and accurately charged to the three identified sources (Components, M&E and PMC)?

Secretariat's Comments

Toshi 4/8/2024:

Thank you. Cleared.

Toshi 4/1/2024:

a. After internal consultation regarding your response, our view is as follows:

According to the description of Direct project support services/costs by UNDP in the budget table,

"Direct Project Cost - Services to project (total 37,120 USD for 3,5 years). Direct Project Costs: for services rendered by UNDP to the project. DPCs will be charged based on the UNDP Universal Price List or the actual corresponding service cost, in line with the GEF rules on DPCs. The amounts indicated here are estimations.? DPCs will be detailed as part of the annual project operational planning process and included in the yearly budgets. DPC costs can only be used for operational cost per transaction. DPCs are not a flat fee."

this is like a ?fee? UNDP charges to the project budget to carry out some executing functions on behalf of the Government?s executing entity. Therefore, the correct expenditure category for this ?fee? or ?support costs? should be ?Other Operating Costs?. ?Sub-contract to executing partner? is usually funding allocated through some legal grant agreement between UNDP and an executing partner. (We might overlook this in some past UNDP projects but this is not an excuse to ignore it now.)

b. Thank you. Cleared. (As you said, a detailed TOR and definition of outputs are required, and I found the information in the Annex 7 of project document.)

Toshi 3/14/2024:

a. Direct project support costs charged by UNDP to the project?s PMC should be categorized as ?Other Operating Costs? but not ?Sub-contract to executing partner?.

b. Project manager and Project assistant are being charged to both project components and PMC, should only be charged to PMC.

Agency's Comments

Agency Response - 8 April 2024

Thank you for the GEF comment. Requested changes are made in the GEF budget table.

Agency Response - 26 March 2024:

a. Direct project support cost-related budget lines in UNDP account structure are used to be charged under *Sub-contract to executing partner* in line with both UNDP ? GEF account categories.

☒ Sub-contract to executing partner ☒ Direct Project Cost-Staff
☒ Services to projects -GOE

Kindly see below other recently approved projects with UNDP, in which the same practise applied in GEF budget tables for direct project support cost:

- ? GEF ID: 11496 ? Tajikistan Enabling Activity Project (BTR)
- ? GEF ID: 11321 ? Sri Lanka Enabling Activity Project (BTR)
- ? GEF ID: 11482 ? Jordan Enabling Activity Project (BTR)
- ? GEF ID: 11330 ? Egypt Enabling Activity Project (BTR)

We appreciate the GEF Secretariat to kindly inform if there has been a change in the GEF budget account categories as we have received this comment for the first time.

b. With reference to **the GUIDELINES ON THE PROJECT AND PROGRAM CYCLE POLICY (2020 UPDATE)** (kindly see below), the policy indicates that if project staff performs functions under technical components, a detailed Terms of Reference and definition of outputs are required. In the Agency Project Document, Annex 7: Overview of Technical Consultancies/Subcontracts details the functions of project staff under PMC and relevant technical components separately. The Annex is also uploaded to the GEF Portal.

10. **Agency Fee and Project Management Costs:** This guidance was previously included under Implementation and Execution Functions and has been moved to a dedicated section to add detail and clarity. It reflects changes to the Agency Fee Policy related to tranching based on milestones. It refers to existing policy documents confirming project cycle management costs are covered by the Agency Fee, and references in the accompanying tables are clarified. In exceptional cases **where project staff funded from PMC perform functions charged to project budgets, clear Terms of Reference and definition of outputs are required.** References to treatment of Agency Fee upon cancellation are updated to reflect the new policy and clarify that fees are cancelled, but not necessarily returned by Agencies. It is clarified that motorized vehicles may be purchased with GEF financing only under specific conditions and should instead generally be covered

Environmental and Social Safeguards.

If there are screening documents or other ESS documents available, have these been attached?
(only as applicable)

Secretariat's Comments

Toshi 3/14/2024:

Yes. ESS documents have been attached. The overall project risk is categorized as low risk.

Agency's Comments

GEFSEC DECISION

RECOMMENDATION.

Is CEO endorsement/ approval recommended?

Secretariat's Comments

Toshi 4/8/2024:

PM recommends the project for further processing.

Toshi 4/1/2024:

Please address a comment above (project budget table) and resubmit. Please highlight in yellow the changes you make to the portal form for ease of revision.

Toshi 3/14/2024:

Please address the comments above and resubmit. Please highlight in yellow the changes you make to the portal form for ease of revision.

REVIEW DATE(S)

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	3/6/2024	3/26/2024
Additional Review (as necessary)	3/14/2024	4/8/2024
Additional Review (as necessary)	4/1/2024	
Additional Review (as necessary)	4/8/2024	
Additional Review (as necessary)		