GEF-6 REQUEST FOR Climate Change ENABLING ACTIVITY
PROPOSAL FOR FUNDING UNDER THE GEF Trust Fund
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PART I: PROJECT IDENTIFIERS

Project Title:	Second Biennial Update Report and Third National Communication for the Republic of Serbia under the UNFCCC		
Country(ies):	Republic of Serbia	GEF Project ID:[1]	9733
GEF Agency(ies):	UNDP	GEF Agency Project ID:	6012
Other Executing Partner(s):	Ministry of Agriculture and Environmental Protection; Agency for Environmental Protection	Submission Date:	26 October 2017
GEF Focal Area(s):	Climate Change	Project Duration (Months)	48
Type of Report:	Biennial Update Report (BUR) National Communication (NC)	Expected Report Submission to Convention	2BUR: December 2018 3NC: December 2020

A. PROJECT FRAMEWORK*

Project Objective: Support the Government of the Republic of Serbia to prepare its Second Biennial Update Report and Third National Communication under the UNFCCC				
Project Component	**Project Outcomes**	**Project Outputs**	**(in $)**	
			GEF Project Financing	**Confirmed Co-financing[2]**
1. National Circumstances and other relevant information, and compilation of 3NC and 2BUR reports	1.1. National Circumstances and institutional arrangements relevant to the preparation of the biennial update reports and national communications updated and described. 1.2. Progress towards mainstreaming of climate change considerations into key development strategies and sector-based policy frameworks assessed. 1.3. Constraints and gaps identified;	1.1.1. Features of the country, its population, natural resources, climate and economy which may affect the country's ability to deal with climate change mitigation and adaptation, described, taking into consideration gender dimension; 1.1.2. Institutional arrangements relevant to the preparation of the national communications and biennial update reports as well as mechanisms for stakeholders' involvement and participation to enable the preparation of these reports analyzed and defined. 1.2.1. National and regional/local development objectives, priorities and circumstances impacted by climate risks described and mainstreaming progress into policy frameworks assessed, taking into consideration gender dimension; 1.2.2. The progress towards climate change and its mainstreaming into policy frameworks assessed; 1.3.1. Finance resources, capacity needs for implementation of the overall national GHG emission reduction strategy estimated; 1.3.2. A study on technological needs assessment conducted, and a list of the most effective/new	170,000	20,000

[1] Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submission.
[2] Co-financing for enabling activity is encouraged but not required.

	financial, technology, policy and capacity building needs assessed and recommendation for addressing the needs provided; 1.4. Other information relevant for the preparation of SBUR and TNC consolidated. The interventions will be guided by the principles of Doha Work Programme under Article 6 of the UN Framework Convention on Climate Change; 1.5. Submission of SBUR and TNC	technology solutions at least for two sectors (e.g. water and agriculture) compiled. 1.3.3. Information on financial resources, technology transfer, capacity building and technical support received from bilateral and multilateral donors updated; 1.4.1. Stock-take of all awareness raising, education, and research on climate change that has been carried out within different programmes and projects, including donor-funded interventions, which will be made available on the national knowledge platform. 1.4.2. Assessment of gaps, needs and priorities for education, training and public awareness important for stakeholders' involvement in the preparation of national communications and biennial update reports, including the information on education and public awareness activities relevant to Article 6 reflected; 1.4.3. Conduct public awareness campaigns on climate change at the national level, as well as trainings on climate change for businesses, CSOs, healthcare specialists, journalists and civil servants engaged in climate change; 1.4.4. Further elaborate study on different gender roles in adaptation and mitigation interventions at the community level, policy formulation and decision-making process; 1.5.1. SBUR compiled, approved by the Government and submitted to UNFCCC; 1.5.2. TNC compiled, approved by the /Government and submitted to UNFCCC.		
2. National Greenhouse gas (GHG) Inventory	2.1. National GHG Inventory updated up to 2016 (period of 2014 -2016) for the SBUR and up to 2018 for the TNC 2.2. Enhanced capacity to collect this information on an ongoing basis.	2.1.1. GHG inventory for the period of 2014 -2016 (SBUR) and 2017-2018 (TNC) calculated for all sectors:, according to the 2006 revised IPCC Guidelines. GHG Inventory will be prepared using/applying GHG Inventory Software for non-Annex I Parties (NAIIS) 2.1.2. Emission factors for the key sources updated, as needed. 2.2.1. Gaps identified on the GHG inventory related to the general, sectoral as well as institutional aspects; 2.2.2. Institutional capacities for the improvement of the National GHG Inventory System improved with defined institutional arrangements, including cross-sector cooperation and application of 2006 IPCC Guidelines for GHG inventories; 2.2.3 Improving the GHG emission data collection system (including calculation of national emission factors, as appropriate and based on results of the SNC/FBUR) within the Environmental Protection Agency. 2.2.4. Cross-sector collaboration for the preparation of GHG Inventory strengthened.	180,000	12,000

		2.2.5. Improvement of data collection system within the national statistics agency in order to fill the gaps related to GHG inventory preparation 2.2.6. Establishment, maintenance and reporting on the national inventory system and reporting on its changes in line with international and EU requirements (in particular EU Monitoring Mechanism Regulation (MMR) provisions), especially concerning: legal arrangements for the national inventory system; QA/QC implementation; appropriate documentation and archiving of inventory data;		
3. Climate Change Mitigation	3.1. Using best practices and latest (I)NDC, assessment of sectors and interventions contributing to GHG emission reduction at the national level conducted. 3.2.Capacity to collect and analyze this information on an ongoing basis for the future biennial update reports and national communications strengthened.	3.1.1. Mitigation potential in key development sectors (e.g. energy, agriculture, LULUCF, waste, transport and infrastructure) assessed, and abatement measures proposed; 3.1.2. Progress on policies and actions to mitigate GHG from 2010, at national, sub-national and local levels assessed 3.1.3. Based on latest available data GHG emission reduction potential of Serbia updated considering technical, environmental and economic aspects; set of policy framework and recommendations proposed; 3.1.4. Baseline (BAU) and mitigation scenarios up to 2030, developed under the SNC, are updated based on the analysis of necessary data and information; Long term strategy up to 2050 and 2100 developed 3.1.5. Roadmap and Action Plan for implementation of Nationally Determined Contribution (NDC) prepared for the period 2020 - 2030; 3.2.1. Stakeholder consultation workshops organized and outreach activities on policies and measures for the climate change mitigation implemented.	157,550	10,000
4. Vulnerability Assessment & Adaptation to the climate change	4. Climate change vulnerability assessment for priority sectors developed (with regional and local focus as applicable) and plans and programmes proposing measures to facilitate adaptation prepared	4.1. Comparative analysis of developed climate change scenarios with results from existing databases of climate scenarios including assessment of the level of climate change scenarios uncertainty 4.2. A stocktaking exercise of vulnerability and sensitivity of the country territory to climate risks performed; 4.3. An in-depth vulnerability assessment of key socio-economic sectors (agriculture, hydrology/water management, forestry, health,) and natural environment to climate impacts conducted; 4.4. A study integrating response measures in the context of Disaster Risk Reduction (DRR) and Climate Change Adaptation (CCA) conducted; 4.5. Impacts of climate change on socio-economic development of Serbia described and analyzed; 4.6 Based on the V&A assessment, a cost benefit analysis, estimating potential costs for a long-term	180,000	18,000

		adaptation (at least for agriculture, water sectors) and BAU, performed; 4.7. Policy frameworks for effective integration of adaptation measures into national strategies identified.		
5. Domestic Measurement, Reporting and Verification	5. Improvement of domestic Measurement Reporting and Verification system supported and capacities for implementation strengthened	5.1. Current state in regard to domestic MRV system analyzed; 5.2. The development process of national institutional arrangements and framework for domestic MRV supported;	72,000	10,000
6. Monitoring and evaluation	6. Project regularly monitored, financial audit conducted and lessons learned compiled	6.1. Project financial and progress reports prepared and submitted. 6.2. End of Project report and lessons learned compiled	15,000	
		Subtotal	**774,550**	**70,000**
		Project Management Cost[3] (including Direct Project Cost: 15,450)	77,450	20,000
		Total Project Cost	**852,000**	**90,000**

* List the $ by project components. Please attach a detailed project budget table that supports all the project components in this table.

B. SOURCE OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount ($)
National Government	Ministry of Agriculture and Environmental Protection	In-kind	**70,000**
UNDP	UNDP Serbia	In-kind	**20,000**
Total Co-financing			**90,000**

C. GEF FINANCING RESOURCES REQUESTED BY AGENCY, COUNTRY AND PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in $)		
					GEF Project Financing (a)	Agency Fee (b)[b)]	Total (c)=a+b
UNDP	GEFTF	REPUBLIC OF SERBIA	CLIMATE CHANGE		**852,000**	**80,940**	**932,940**
Total GEF Resources					**852,000**	**80,940**	**932,940**

a) Refer to the Fee Policy for GEF Partner Agencies

[3] This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or co-financing sources. For EAs within the ceiling, PMC could be up to 10% of the Subtotal GEF Project Financing.

PART II: ENABLING ACTIVITY JUSTIFICATION

A. ENABLING ACTIVITY BACKGROUND AND CONTEXT (Provide brief information about projects implemented since a country became party to the convention and results achieved):	The official date of Republic of Serbia's ratification of the United Nations Framework Convention on Climate Change (UNFCCC) is March 12, 2001 and the Convention entered into force on June 10, 2001. Serbia has ratified the Kyoto Protocol, which entered into force on 17 January 2008, as a non–Annex I Party. The Ministry of Agriculture and Environmental Protection (MoAEP) is the UNFCCC and the Kyoto Protocol Focal Point. MoAEP has a coordination role for the climate change issue and related activities. Considerable efforts have been made in promoting the combat against climate change, with the goal of fulfilling the requirements of the Convention, and improving intersectoral cooperation in order to ensure mainstreaming of climate change issues into sector strategic documents and national development goals. While the first set of environmental laws designed to combat climate change was adopted in 2004, considerable progress has been achieved with the beginning of the process of the accession to the European Union (EU). Serbia's aspiration to become an EU member act as a major driver for climate change related action for both mitigation and adaptation, mostly through harmonization of national with the EU acquis. Serbia signed the Paris Agreement on 22 April 2016. Previously, Serbia submitted its Intended Nationally Determined Contribution (INDC) to the UNFCCC on June 15th, 2015 prior to the Paris CoP21 with a pledge to reduce its GHG emission by 9,8% from the 1990 level by 2030. This is going to be achieved by reducing emissions in key emitting sectors, such as energy production/consumption, agriculture, waste management, transport. Serbia will ratify Paris agreement mid-2017 at the latest. The Initial National Communication (INC) of the Republic of Serbia, as well as the Second National Communication (SNC) and First Biennial Update Report (FBuR) represent important national strategic documents and basis for future actions, research and policies in the area of climate change, national capacity building and improvement of knowledge and sustainable development of the country. The preparation of the INC started in 2008 and the INC was adopted and published in 2010, while SNC was initiated in 2012 and the document was submitted to the UNFCCC in October 23rd, 2017. FBuR preparation was initiated in 2014 and submitted to the UNFCCC Secretariat in March 2016. Government of Republic of Serbia adopted the first National Energy Efficiency Action Plan (NEEAP) in July 2010 and the Second National Energy Efficiency Action Plan for 2013-2015 submitted to the Energy Community Secretariat in 2013, while the Energy Development Strategy till 2025, with projections till 2030 is adopted in 2015. Main challenges in this area are defining and developing the monitoring and assessment methods for activities aimed to achieve energy efficiency. In order to reduce energy consumption and to increase energy efficiency, Serbia needs a reliable data on energy consumption for individual sectors, as well as a set of measures for a three-year period to meet its energy savings targets. Thus, it is necessary to carry out a detailed research on energy consumption in each individual energy consumption sector in the Republic of Serbia within this Project. The aim of the research is to amend the Energy Balance, with data on energy end-use in residential, commercial and public services' sectors, as well as in transport and industry sectors, since there is no official data in Serbia. To support energy related national goals, UNDP is providing support to the Ministry of Mining and Energy in conducting two important projects: 1. Reducing Barriers to Accelerate Development of Biomass Markets in Serbia (GEF funded): Total value, incl. co-financing: 30.48 mil USD (2014-2018) and 2. Removing Barriers to Promote and Support Energy Management Systems in Municipalities throughout Serbia (GEF funded): Total value, incl. co-funding: 11.5 million USD (2015-2020). Capacity development project on NAMA, financed by the Government of Japan, was finalized in February 2013. The project purpose was identification and development of NAMA in energy efficiency field. Detailed documentation for six identified NAMA was prepared, including proposals

	for MRV. Additionally, the NAMA Development Guideline of the Republic of Serbia was published: http://unfccc.int/cooperation_support/nama/items/6945.php. The project "Creation of a monitoring, reporting and verifying system for the successful implementation of the EU Emissions Trading System" financed by the European Union has been terminated in 2015, resulting in the first Draft Law and sub-laws that include MRV aspects of Directive 2009/29/EC (legal document is pending Governmental adoption). These documents have been prepared with broad participation of stakeholders, while project also supported extensive trainings and consultations with the operators. The main project purpose was to create enabling policy environment for establishment of legal and institutional framework for implementation of the EU Emission Trading System, including provisions on MRV required by the EU Directive 2009/29/EC. While retaining a strong commitment to implement the UNFCCC, the country is facing a number of significant constraints, such as the lack of capacities and complete operational system for MRV. Currently, MoAEP is implementing IPA 2013 twinning project: "Establishment of a mechanism for implementation of MMR" - started in May 2015. This project aims at transposition and preparation for implementation of Regulation (EU) No 525/2013 and Decision 406/2009/EC (ESD). MMR project also contributes to the establishment of institutional and procedural arrangements, legal framework and administrative and institutional capacities of the relevant bodies for the implementation of MMR and ESD. The intention of the project is to contribute to preparation of legal framework for MMR implementation up to 2019. In August 2016, Republic of Serbia started with implementation of the IPA funded project "Development of the Climate Change Strategy with an Action Plan". The main project purpose is identifying possibilities for emission reductions from agriculture, transport, waste and small power plants, according to the requirements of the EU Decision 406/2009/EC. Project will also include consideration of GHG emission reduction targets up to 2020, 2030, 2040, as well as long term goals and objectives. Expected duration of the project and completion of the strategic document is until the end of 2018. MoAEP participated in realization of a regional two-year project "Low Carbon South East Europe", in cooperation with European Academy Bolzano Italy, National Observatory of Athens, Joanneum Research Austria, Regional Environmental Centre (REC), as well as ministries responsible for environmental issues of Croatia, Montenegro, Albania, Macedonia and Slovenia. The project was financed through EU fund (South East Europe Transnational Cooperation Programme - SEE), and the Ministry of Agriculture and Environmental Protection of the Republic of Slovenia is a leading partner. The main objective of this project was development of a regional platform which could provide a multi-sector approach to the Development Strategy of low GHG emissions in South-Eastern Europe. After detailed technical, economic and market analyses Waste Management Sector was chosen, regarding to the general potential to climate change mitigation, in particular the treatment and disposal of solid waste. Additionally, the Government of Serbia adopted Agriculture and Rural Development Strategy for the period 2014-2024 in 2014, considering as well the climate change impact on agriculture sector. Since 2016 the Capital city of Belgrade in Serbia participates in the realization of UNEP initiatives: "Building Efficiency Accelerator" and "District Energy in Cities". A number of other projects have been implemented or have been initiated for implementation in recent years, supported by different international donors, such as for example: - UNDP/GEF project "Sustainable Transport in the City of Belgrade (2010 – 2014) implemented in cooperation with the City of Belgrade (Secretariat for Transport and Land Development Agency) and the Ministry in charge of environment and climate change. The project's goal was to improve the transport management infrastructure and support environment friendly development in Belgrade while reducing metropolitan GHG emissions. - "Municipal Energy Efficiency and Management Project" supported by the Swiss Government through Swiss Cooperation Office in Serbia, promoting European Energy Award concept and

	improving capacity building and investments into energy efficiency at four municipal level in Serbia, contributing to the improved implementation of Energy Efficiency legislation. - New UNDP/GEF project "Climate Smart Urban Development Challenge" is a 5-year long project (2017 – 2021). The objective of the project is to promote innovations in climate-smart urban development, introducing climate proof public utility services, while reducing levels of municipal GHG emissions. Under the previous NC/FBuR projects, UNDP supported the line Ministry in producing some of the additional outputs, that significantly contribute also to Serbia's alignment with EU acquis and strategic directions in the field of climate change, such as: Gender and Climate Change Study, Climate Change Communication Plan, draft Climate Change Adaptation Framework, Analyses and Plan of Implementation of the EU Climate Acquis (including implementation of the obligations under the UNFCCC), Publication on Climate Change and Agriculture (and additional sectoral publications on climate change and energy/industry, health, biodiversity and water management); Support to finalization of the GHG Emission Reduction Law (the Law that will support transposition and implementation of the EU ETS Directive); Support for preparation of INDCs; Supporting preparation of the Software solution for the system on GHG Monitoring, Reporting and Verification under the EU ETS (Agency for Environmental Protection); Supporting preparation of the Software for calculation of the GHG emissions from the road transport (Agency for Environmental Protection); Supporting software solutions for calculation of National Emission Factors for Lignite; All above mentioned interventions will be utilized in the work on development of the TNC and SBuR documents. In addition, a *national clearinghouse mechanism* has been established to support information sharing and networking in the area of climate change in Serbia: www.klimatskepromene.rs The continuation of preparation of national communications and biennial update reports to the UNFCCC aims to strengthen information base, and the analytical and technical capacity of the key national institutions to integrate climate change priorities into national development strategies and relevant sectorial policies. The process of preparation of the TNC and SBUR will continue the ongoing dialogue, information exchange and partnership among relevant stakeholders, including government, civil society, academia, private sector and international development partners. In order to fulfill the obligations arisen from decisions of the Conference of the Parties (COP) to the UNFCCC related to the submission of national communications and biennial update reports, support from the Global Environment Facility is needed to continue to develop and consolidate the existing technical and institutional capacity and to continue the efforts of integrating climate change into national plans, policies and programs. Building on the previously prepared national communications and biennial update report as well as lesson learned, Serbia will submit its Second Biennial Update Report and Third National Communication to the UNFCCC in 2018 and 2020 respectively. Apart from the preparation of the reports, one of the most important outputs of both projects will be improvement of capacities and networking of relevant institutions and agencies. That will be undertaken through their involvement in the projects implementation, consultative meetings, planning and training workshops. Serbia's Second Biennial Updated Report will build on the findings and recommendations of the First Biennial Update Report, while the Third National Communication will build on the findings of the Second National Communication. Although, the SBUR and the TNC projects will be realized at the same time, overlap will be avoided. Namely, under the SBUR GHG inventories for the period 2014-2016 will be prepared as a part of completeness of time series to be prepared under the TNC. The TNC will complete time series for the period 2010-2018. One of the main aims of the SBUR will be to increase capacities for MRV on the national level, while the TNC will be orientated on national capacities for identification, preparation and realization of mitigation and adaptation measures. The TNC will consider adaptation as one of the preconditions for attaining the global 2030 development agenda (through attaining the SDGs) and treat it through project activities on that way.

	In order to accomplish SBUR and TNC and fulfill the obligations arisen from Cancun and Durban COP decisions, related to the submission of national communications and biennial update reports, support from the Global Environment Facility is needed. This support is necessary for continuous development and improvement of the existing technical and institutional capacities, especially for MRV, and to continue the efforts of integrating climate change into national development policies, plans and programmes.
B. ENABLING ACTIVITY GOALS, OBJECTIVES, AND ACTIVITIES (The proposal should briefly justify and describe the project framework. Identify also key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable. Describe also how the gender equality and women's empowerment are considered in project design and implementation):	The overall goal of the project is to support the Government of Serbia to mainstream and integrate climate change considerations into development strategies and sector-based policy frameworks, through ensuring continuity of the institutional and technical capacity building, partly initiated and consequently sustained by reporting instruments under the UNFCCC and ensuring a regular mechanism of national monitoring, reporting and verification, and move towards a low-carbon and climate resilience development pathway. The immediate objective of the project is to assist the Government of Serbia preparation of its SBUR and TNC under the UNFCCC in accordance with its commitments as a non-Annex 1 Party (as mandated by Article 4 and 12 of this Convention) and COP decisions 1/CP.16 and 1/CP/17. While the immediate objective of the project is to assist Serbia to fulfill its reporting obligations under UNFCCC, in the long term the project will allow the country to lay to strengthen the existing institutional arrangements and support the long-term targets aimed at addressing the impacts of climate change, also in line with the EU accession process and complementary to goals of other projects in this area. The objective of the project is in line with the GEF 6 Focal Area Objective "CCM-3 which aims to Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies, Programme 5: Integrate findings of Convention obligations and enabling activities into national planning processes and mitigation targets." The project is also aligned with "Development Partnership Framework 2016-2020 between the Government of the Republic of Serbia and United Nations Country Team in Serbia", outcome which states that by 2020, there are improved capacities to combat climate change and manage natural resources and communities are more resilient to the effects of natural and man-made disasters. The project goals and objectives will be achieved through strategic directions identified below: 1. Update and improve GHG inventories by filling out the gaps and reducing the uncertainties encountered in the previous inventories; 2. Build national capacities allowing the country to apply improved 2006 IPCC Guidelines for National Greenhouse Gas Inventories and to establish national emissions factors; 3. Set up and operationalization of the National Monitoring Reporting and Verification system with defined institutional arrangements to support it, based on recommendations arising out of similar EU funded projects; 4. Update of existing and proposing new programmatic mitigation measures for abating GHG emissions in key economic sectors; 5. Prepare Roadmap and plan for implementation of NDCs by 2030; 6. Revisiting and upgrading climate change scenarios and upgrade of policy framework and programmatic measures for climate change adaptation in the most vulnerable sectors in the Republic of Serbia (energy, agriculture, forestry, water, health, transport, biodiversity and tourism) with in-depth regional/local focus using GIS technology, cost-benefit analyses socio-economic assessments, gender aspects; 7. Collect and analyze gender disaggregated data in relation to the climate change; 8. Updating information on constraints, gaps and related financial, technical and capacity building needs, 9. Compilation of information, preparation of final version, publication and promotion of the national communication and biennial update report;

10. Monitoring, reporting, and preparing of financial audits.

The project will significantly assist Serbia to fulfill its commitment under the UNFCCC and prepare and submit its SBUR and TNC to the UNFCCC. Moreover, it will assist Serbia in correlating activities arising out of the EU accession process and UNFCCC reporting commitments, thus securing synergies, complementarity and effective utilization of resources. The proposed project will further strengthen the capacity of national institutions in related research and analysis eventually contributing to Serbia's inputs to reducing the impacts of the global environmental threat of climate change. Documents (reports, analyses, studies etc.) produced under the project will be used by the decision-makers for preparing and implementing guidelines and policy action framework for achieving the government's national and international commitments (INDC).It will also assist Serbia to well prepare for creation of enabling policy environment and robust monitoring, reporting and verification system for effective implementation of both, EU accession obligations and commitments arising out of the Paris Climate Agreement.

Stakeholder involvement

The preparation process of the two National Communications and First BUR to the UNFCCC, has contributed to the institutional strengthening of the Ministry of Agriculture and Environmental Protection (MoAEP). MoAEP is responsible institution for the implementation of the Convention at national level. The Ministry of Agriculture and Environmental Protection will act as Implementing Partner and coordinating body of the Project.

Additionally, the National Climate Change Committee was established in late 2014 with the aim to monitor development and implementation of national policies on climate change, sectoral policies and other planning documents, in terms of consistency with national climate change policies and propose measures for improving and coordinating policies, measures and actions in this field. Members of the Committee are representatives of all relevant ministries and other governmental institutions, as well as representatives of universities and scientific institutions.

Based on the experience in producing the two national communications and biennial update report, it is understood that the most effective way to address climate change, is to ensure involvement of all stakeholders (Academy of Sciences, private sector, NGO sector and relevant Ministries) in both design and implementation of the climate change related actions through focused discussion and working groups. The integration of the different sectors strengthens the institutional and technical capacity of different stakeholders and institutions and ensures the achievement of optimal sectoral coverage and relevance of the actions and enhance their sustainability. In addition to that, the national knowledge, and awareness of the different stakeholders have been increased, in particular those from the government, non-government, private and academic sectors.

Participation of broad range of relevant stakeholders from business, private and civil society sectors will draw closer the positions of official, business and civil society circles regarding national economic and environmental priorities and enhance raising awareness in sustainable development. The integration of the different sectors strengthens the institutional and technical capacity of the different stakeholders and institutions, not limited to a reduced group of experts and decision makers from the governmental institution where lies the responsibility for the fulfillment of the national obligations to the Convention.

The project proposal intends to strengthen stakeholders' participation in addressing climate change issues and challenges in Serbia. The list of stakeholders will include, but is not limited to the Ministry of Agriculture and Environmental Protection (including the Serbian Environmental Protection Agency, Forestry Directorate and Water Directorate); Ministry of Mining and Energy; Ministry of Economy; Ministry of Construction, Transport and Infrastructure; National Statistics Office of Serbia; Ministry of Education and Science; Ministry of Health; Nature Protection Institute of Serbia; Republic Hydromet Service of Serbia; Parliament, NGOs, local communities, local authorities, research institutions, international organizations, business community, women and youth groups, mass-media. This broad stakeholders' involvement will foster science, technology and innovation

initiatives. Other stakeholders will be included in the process through the participatory approach planned within the project.

The MoAEP will, through its Climate Change Division, perform a leadership and coordination role for the development of actions needed to fulfill the obligations to the Convention and its formal communication to the international community, acting in coordination with the other stakeholders, integrating climate change in the ongoing national activities for the achievement of results to be reported and communicated through the National Communications and Biennial Update Reports.

Relevant sectoral Ministries, such as the Ministry of Economy, Ministry of Mining and Energy, Ministry of Interior, as well as Serbian Environmental Protection Agency (SEPA), will participate in project activities aimed at the preparation of GHG inventories and identification and preparation of mitigation actions. Their particular role is in the elaboration of the National GHG Inventories, as they are responsible for the estimation of the respective sectoral emissions according to the IPCC guidelines and under the guidance and coordination of the MoAEP.

The MoAEP will take part in capacity building activities for identification, preparation and implementation of mitigation and adaptation actions in key economic sectors. Relevant sectoral Ministries and bodies will participate in capacity building and strengthening activities aimed at the identification, preparation and implementation of mitigation and adaptation actions in key economic sectors. Other relevant stakeholders, such as the Academy of Sciences, private sector, NGO sector and relevant Ministries will be included in the process as will participate in training activities.

Gender dimension

Based on the Constitution, the Republic of Serbia guarantees equality of women and men and shall develop equal opportunities policy. In line with that, the project will ensure that gender disaggregated data, wherever applicable by age, is consistently included in both reports (TNC and SBUR). In the inception phase, the engagement strategy for women and vulnerable groups will be designed to ensure gender and vulnerable community dimensions are adequately addressed.

As one of the cross-cutting issues, the Project will take into account gender mainstreaming as well.

UN Country team supports the Government of Serbia in its respective efforts through its both direct projects targeting women, and also incorporates respective gender-related activities into the project design when preparing, and then, implementing projects. The gender dimension is taken into account when preparing the program for further UN cooperation with the Government of Serbia in Framework document "Development Partnership Framework 2016-2020", *gender equality is regarded as a critical precondition for improvement of human rights situation and sustainable development, therefore gender mainstreaming into national laws, policies, budgets and programmes is applied across almost all focus areas.* According to the UNDAF, under Pilar 1 Governance and Rule of Law, "by 2020, people in Serbia, especially vulnerable groups, have their human rights protected and have improved access to justice and security", as well as "by 2020, state institutions and other relevant actors enhance gender equality and enable women and girls, especially those from vulnerable groups, to live lives free from discrimination and violence".

Throughout the work on Second National Communication, the Republic of Serbia produced specific Study on Gender and Climate Change (available at: http://www.klimatskepromene.rs/uploads/useruploads/Documents/First-Study-on-Gender-and-Climate-Change-in-the-Republic-of-Serbia.pdf).

This study recognizes that women and men have different vulnerabilities to climate change impacts on food security, agricultural productivity, livelihood, water availability, sanitation, health and energy, among others. Existing gender inequalities, such as limited access to natural resources and productive assets including land and finance and to household and community decision-making constrain their ability to adapt to and cope with climate change. The study also defines policy and concrete action measures that need to be undertaken in order to improve vulnerability of women, children and vulnerable groups to negative impacts of climate change. The study also recognizes the of empowering women and vulnerable groups to cope with the climate change and contribute to the GHG emissions reduction. For example, in addition to heavy work in agriculture and in offices, they

	work at home. Some of these activities, like using wood for heating and cooking, have an impact on the GHG emissions due to lack of access to clean and efficient energy sources. The study represents a guiding framework for improved work on further analyses of correlations between gender mainstreaming and reduction of GHG emissions, with proposing concrete gender based measures within the TNC and SBUR. In this regard, the project will incorporate a gender perspective in the identification, description and preparation of mitigation actions where relevant. Also, the gender dimension in the TNC and SBUR will be meaningfully involved, not only considering women as beneficiaries but also in the decision-making process of climate change related activities. Moreover, understanding how the different social roles and economic status of men and women affect, and are affected differently by climate change will be considered for appropriate adaptation and mitigation actions. In this sense, the update of the national circumstances chapter of the TNC and SBUR will consider the gender dimension in order to better understand how the different roles of men and women in Serbia may affect the country's ability to deal with mitigating of and adapting to climate change. During the project inception the mandatory UNDP gender marker will be applied. This requires that each project in UNDP's ATLAS system be rated for gender relevance. This will for example include a brief analysis of how the project plans to achieve its environmental objective by addressing the differences in the roles and needs of women and men. Balance will be sought for workshops under the project. With regard to the technical team to be hired to implement the enabling activity, gender balance will be also considered. The project will intend to engage appropriate female local consultants when possible and appropriate. The guidance on gender integration through the NCs and BURs developed by the Global Support Programme through UNDP and in collaboration with UNEP and GEF will be applied.
C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATION (discuss the work intended to be undertaken and the output expected from each activity as outlined in Table A).	**Institutional framework** At the national level, the project will be executed by the Ministry of Agriculture and Environmental Protection. The MoAEP will appoint a senior official to be the National Project Director (NPD). The NPD will ensure full government support of the project. The project will be implemented under the NIM (National Implementing Modality) modality with UNDP support. A Project Implementation Unit (PIU) will be established comprising permanent staff including: a Project Manager (PM), Project Assistant. The PIU will assist Ministry to perform its role as implementing partner. The PM will be responsible for overall project coordination and implementation, consolidation of work plans and project papers, preparation of quarterly progress reports, reporting to the project supervisory bodies, and supervising the work of the project experts and other project staff.. The PM will also closely coordinate project activities with relevant government institutions and hold regular consultations with other project stakeholders and partners, including UNDP's relevant projects. Under the direct supervision of the PM, the Project Assistant will be responsible for administrative and financial issues, and will get support from the existing UNDP administration. Overall guidance will be provided by the Project Board (PB). This will consist of key national governmental and non-governmental agencies, and appropriate local level representatives. UNDP will also be represented on the PB. The PB will be balanced in terms of gender. The Project Board will be responsible for making management decisions for the project, in particular when guidance is required by the Project Manager. It will play a critical role in project monitoring and evaluations by assuring the quality of these processes and associated products, and by using evaluations for improving performance, accountability and learning. The Project Board will ensure that required resources are committed. It will also arbitrate on any conflicts within the project and negotiate solutions to any problems with external bodies. In addition, it will approve the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities. Based on the approved Annual Work Plan, the Project Board can also consider and approve the quarterly plans and also approve any essential deviations from the original plans. The project will follow the same institutional arrangements that have been established for the implementation of the INC, SNC, and FBUR.

Activities for Project Implementation

National Circumstances and Institutional Arrangements

In order to present current situation in the country, in regard to the UNFCCC implementation, through the SBUR and TNC updated information on socio-economic and political issues which may affect the country's ability to deal with mitigation and adaptation to climate change will be addressed, including information on fulfilling the UNFCCC requirements through the national legislation, national development objectives and priorities. Additionally, information on institutional arrangements relevant for the preparation of the national communications and biennial update reports on a continuous basis will be updated. Moreover, the assessment of gaps, needs and priorities for education, training and public awareness important for stakeholder involvement in preparation of national communications and biennial update reports will be conducted and trainings for stakeholders will be organized.

This outcome includes an update of the country characterization in terms of demography, natural resources, climate and education, social and cultural aspects, as well as macroeconomic parameters, employment, income and services. It will also include the characterization of the specific sectors such as water resources, energy, waste, transport. In particular, it will be analysed how the national circumstances described may affect country's ability to deal with mitigating to climate change. Special attention will be paid to new information and data related to Energy and Industrial Processes sectors that are largest contributors to the GHG emissions.

National development objectives, priorities and circumstances will also be described, including the specific needs and concerns arising from the adverse effects of climate change.

Also, the information on the institutional arrangements and the mechanisms for stakeholders' involvement relevant to the preparation of the national communications and the biennial update reports will be described. This will include findings and recommendations produced by the 'lessons learned' study, currently being carried out by UNDP, on the experience of FBUR and SNC elaboration. Reports will include updated information on received support from bilateral and multilateral donors, with special attention on technologies and national resources allocated for climate change upon ratification of the UNFCCC.

Special attention will be given to the collection and analysis of gender data in relation to the climate change. Gender disaggregated data will be collected and reported with special attention given to measures undertaken in the past to ease the impact of the climate change on women and helping them to adapt to it, especially in sectors into which women are especially involved, like agriculture, health.

Summarizing, all the thematic and sectoral components that define the National Circumstances will be updated and revised for their inclusion in the TNC and SBUR.

The national inventory of anthropogenic emissions by sources and removals by sinks of all GHG not controlled by the Montreal protocol, including a national inventory report

Under the Initial National Communication, submitted in 2010, Serbia prepared and submitted the GHG inventories for the years 1990 and 1998, while the Second National Communication project, completed time series from 2000-2009 and for the year 2014. Namely, the first year for which the SNC prepared a GHG inventory of emissions by sources and removals by sinks is the year 2000, while project also resulted in GHG inventories for the period 2000-2009, and for the year 2014, as appropriate. In the FBUR, GHG Inventory for the period 2010-2013 was elaborated.

The national inventory in the previous NCs and BuR was prepared according to the Revised 1996 and 2006 IPCC Guidelines for National Greenhouse Gas Inventories using Tier 1 Methods (for the INC), while Tier 2 methods were applied in SNC and FBuR for all sectors except for agriculture, according to availability and quality of data. Previous NCs and FBuR used the internationally recommended values for net calorific values and emission factors for all fossil fuels (solid, liquid and gaseous), except for the low calorific open pit mined lignite. This is especially relevant for emissions

	resulting from lignite – which has a significantly lower net calorific value and a higher emission factor value than the international standard values. As such, the country-specific emissions coefficient was calculated during the process of SNC preparation and will be re-calculated during the preparation of the TNC and SBUR. The GHG inventory in the SNC also included halogenic hydrocarbons (HFC and PFC), or sulphur hexafluoride (SF_6), which was not the case in INC. Within the TNC and SBUR it is planned to prepare GHG inventory for the 2014-2018 years, while the update of inventory will be undertaken for those years with low quality data, based on findings of previous projects. Under this component, the project will focus on the following: • Analyze and review 2006 IPCC Guidelines for National Greenhouse Gas Inventories for their applicability to the TNC+SBUR project; • Conduct training on the usage of 2006 IPCC Guidelines for National Greenhouse Gas Inventories for the experts involved into the inventory preparation and relevant stakeholders; • Make sure that the national capacities allowing Serbia to apply 2006 IPCC Guidelines for National Greenhouse Gas Inventories) for the inventory and calculation of emissions of all gases are in place; • Data collection/interaction with data providers for preparation of inventory for 2014-2018 years; • Review of the proposed data collection and management system; • Revision of nationally adopted emission factors, if needed; • Prepare GHG inventory for 2014-2018 years by applying NAIIS software; • Streamline of the institutional arrangements with other institutions/ Ministries for data collection and management; • Improve the National Inventory Systems (NIS) with defined institutional arrangements; • Make sure that each involved stakeholder clearly understands his/her role in the National Inventory System; • Ensure that the NIS establishment process facilitates the integration, coordination and implementation of the human, technical, technological and financial resources (coming from the synergy of different programs and projects) needed to assist and develop the regular preparation of the national inventory; • Strengthen cross-sectoral exchange and collaboration for preparation of the GHG inventory • Subsequent to the GHG inventory preparation, ensure the quality assurance/quality control (QA/QC) processes. • Report on progress achieved on each of its components: reached agreements, promoted institutional arrangements, engaged stakeholders, built capacity, shared knowledge, applied methods and used technology tools; • Institutionalize the GHG Inventory generation process by preparation and application of the Procedure Manuals, which will be part of the National Inventory System. • Incorporation of good practices for improving sustainability of the process; • Provision of input for preparation of relevant laws and regulations for institutionalization of the GHG inventory; • Preparation of working sheets and summary tables, uncertainty estimation and management; • Preparation of graphics, tables and analyses of results; • Publication of GHG Inventory report Additional attention will also be focused on GHG emissions from LULUCF. This will include an up-to-date analysis of forestry resources, including species composition and growth rates. A preliminary attempt will also be made to estimate GHG emissions and removals from soils, which

	will be incorporated into LULUCF analysis. The following methodological materials will be used: *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories, 2006 IPCC Guidelines for National Greenhouse Gas Inventories; the IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories; IPCC Good Practice Guidance on Land Use, Land-Use Change and Forestry.* The Handbook developed by UNDP on *"Managing the National Greenhouse Gas Inventory*" will be followed while conducting the national inventory in order to identify recommendations for the design of an inventory management system. Finally, the NAIIS software and GHG reporting tables developed by the UNFCCC Secretariat (Decision 17/CP.8) for archiving data and data reporting of inventory results will be used. Appropriate approaches to ensure the quality of the estimates will be adopted. The taskforce will also be responsible for developing data recording and archiving system to facilitate the inventory process, especially in the respective sectors. To sustain the inventory working groups, training opportunities for them will be created. Also, exchange in knowledge and expertise with other researchers in the region will be encouraged. The experiences from this project will be used to institutionalize the inventory process into the regular works of the relevant agencies and ministries. It is envisaged that this approach will further promote ownership and participation among relevant agencies and will sustain the inventory process for Serbia. ***Climate Change Mitigation actions and NDC implementation plan*** In the previous NCs and FBUR GHG mitigation measures in all sectors have been analyzed. This included implemented or ongoing projects and programs under NAMA, CDM, etc. The basis for implemented measures in this period was the international support, national activities on policy and institutional development and sectoral activities. Mitigation analysis was conducted for each key economic sectors. GHG emissions baseline scenario (business as usual – BAU scenario) as well as the mitigation scenario were developed for all sectors for the period up to 2030 applying LEAP model (for energy related GHG emissions) and IPCC and other relevant methodologies for non-energy related GHG emissions. Mitigation actions and their effects, including associated methodologies and assumptions, and implementation progress of mitigation actions listed in the SNC and FBuR will be described. Priorities in mitigation actions will be identified based on the assessment of sectoral mitigation potentials. Additionally, nature of actions, coverage, quantitative goals, progress indicators, methodologies and assumptions, will be presented in tables. Detailed, sector based vulnerability assessment, including update of different scenario analyses, will be conducted and sector specific adaptation measures will be proposed, considering cost-benefit analyses and integration with national and regional DRR measures. As part of the activities, reports will be elaborated containing a description on the national arrangements to enable the implementation of INDCs. Through the proposed project, the capacity to collect and analyze information on climate change on an ongoing basis for future biennial update reports and national communications will be strengthened and the report on policies and measures to mitigate the climate change will be updated. First of all, analysis and results presented in the SNC and First BUR will be revised. Based on latest available data GHG emission reduction potential of Serbia will be updated considering technical, environmental and economic aspects; set of policy framework and recommendations proposed; systems to assess the effects of mitigation actions will be developed. Necessary data and relevant information for baseline (business as Usual - BAU) and mitigation scenarios development for period of 2015-2030 will be collected and analyzed. The baseline (BAU) and mitigation scenarios developed under the SNC and FBUR will be updated using latest available data on macroeconomic parameters (GDP, real GDP growth rate etc.) and other relevant information such as energy balances for 2014-2018 years, industry production data, and others.

	The baseline year for mitigation scenarios development will be 2010. The scope of the sectoral mitigation assessments will include an analysis of related legislation, policies and programmes that facilitate the rapid implementation of mitigation technologies and practices, as well as – to the extent possible – the macro-economic impact of the mitigation options (including possibilities for green job creation). The EU approximation process and international requirements deriving from UNFCCC as guiding principles for development will be taken into consideration while doing the analyses within the TNC and SBuR. Also, strong linkages and synergy will be established with the ongoing EU IPA funded project "Climate Change Strategy and Action Plan" that also includes scenario analyses and development until 2020, 2030 and 2040 with long term projections until 2050 and 2070. This will secure best quality data and information, while joint approaches will be secured wherever applicable by both projects, in particular when performing national stakeholder consultations. Meeting of experts on both projects will be arranged to secure compliance. This coordination will be guaranteed by the MoAEP, being main responsible institution for both projects. According to the decision 1/CP.21, UNFCCC Party Countries and among them Serbia are requested to communicate their Nationally Determined Contribution (NDC) by 2020. At the same time the NDCs should be submitted at least 9 to 12 months in advance of the relevant session of the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement, i.e. not later than end of 2019. In frames of proposed project possibilities in regard to NDC of Serbia will be evaluated. NDC of Serbia will represent a progression beyond the Serbia's INDC and reflect its highest possible ambition. In addition, Roadmap and Action Plan for implementation of Serbia's NCDs 2020-2030 will be prepared. The abovementioned activities will be conducted in close communication among all relevant stakeholders. Consultative workshops and seminars will be organized on policies and measures to mitigate Climate Change. ***Vulnerability Assessment & Adaptation to the Climate Change*** Under this component, update of climate change scenarios from previous NCs will be conducted. This includes update of the used climate models (i.e. regional climate model (RCM)) and testing of new ones. This will be based on the achievements on compiling information and updating climate models used in SNC. Future climate changes will be investigated using more parameters based on increased availability of data. Revise Climate change scenarios using appropriate models; Further on, the results of climate models will be interpreted and compared, observing patterns and/or trends, strengthening the understanding of the climate of Serbia, formulating conclusions and consensus. Capacity building for selected experts and employees should be included among the outputs envisaged for this activity to further enhance their technical skills. Vulnerability assessment and adaptation chapter under the previous NCs was focused on agriculture, forestry, health, water management and biodiversity - the most vulnerable sectors with the need of adaptation measures. Along with vulnerability assessment, analysis for the identification of prior adaptation measures has been conducted. These adaptation measures included support technology transfers from abroad (especially in agriculture sector); facilitating rehabilitation of windbreaks; rehabilitation of irrigation systems within identified areas (improving integrated water management systems (supply-demand); Improving system for forecasting land productivity and climate change impacts by creating of soil information (data) bank; reduce flood risks by promoting riverbank protection measures develop effective monitoring and early warning systems; preventing plant diseases through selection of optimal methods; raising awareness of population and local governments; implementation of monitoring system on diseases in forestry sector; restoration of degraded lands. In the TNC, more detailed analysis of climate change impact on vulnerable sectors is needed. Detailed re-assessment of vulnerability and adaptation to the climate change will be conducted not only for sectors, previously identified as most vulnerable ones in the SNC, but also for other sectors

	such as energy, mountain ecosystems, transport, tourism, urbanization/construction of infrastructure etc. When applicable, regional and local particularities will be taken into account. In addition, particular attention will also be given to more in depth vulnerability assessment of the agriculture sector and definition of adaptation measures that will also include elements related to facilitating capacity of agricultural service centers to raise awareness about climate change, development of an effective insurance systems etc. Besides that, cost-benefit analyses of vulnerability and adaptation measures will be conducted based on business as usual scenarios compared to scenario with measures. Vulnerability assessment and adaptation planning will be closely linked to the disaster risk reduction plans and actions at regional, national and local level. The work will include preparation of plans and programs proposing measures to facilitate adaptation. To conduct vulnerability assessment and enhance the country's adaptation capacity, the following actions will be conducted: Firstly, the vulnerability assessment will be conducted using social, economic and environmental indicators across the sectors. Special attention will be paid to the case studies, at least one for most fragile ecosystems (such as mountain ecosystems and forests). Where applicable, regional and/or local focus will be applied. Based on updated vulnerability assessment, National Adaptation Plan Process will be resumed. To ensure the implementation of the NAP process, the policy framework for effective integration of adaptation measures into the national strategies will be mapped out and to the extent possible, implemented. More specific actions for vulnerability assessment and adaptation planning include, but are not limited to: Synthesize studies on current and future climate change including vulnerability assessment and studies on the climate change impacts on the country's economy; Describe and analyze impacts of climate change on socio-economic development of Serbia. Reassess vulnerability of agriculture, forestry, water management, health, biodiversity, transport, energy and tourism conducted with regional/local focus where applicable. Project will review the existing climate change adaptation policies, to promote and reinforce adaptation measures and plans both at national and local levels. Policy framework will be elaborated to support effective integration of adaptation measures into national strategies; Stakeholder consultation workshops and outreach activities will be organized on policies and measures for the climate change adaptation. Vulnerability assessment and adaptation measures will be conducted in an interactive way, with the participation of all relevant stakeholders, including but not limited to the government agencies, academia, private sector, central and local authorities, international organizations, media, civil society. The project will pay special attention to extreme weather events. Also, more linkages between the climate change scenarios and their socio-economic impacts will be analyzed. As the agriculture sector is exceptionally vulnerable to extreme weather events, special attention will be devoted to expected changes in their frequency, intensity and distribution as well as their impact on agro-climatic conditions. Finally, analysis related to food security will be addressed. In addition, this chapter will also include vulnerability assessment of energy sector to the changing climate conditions and will provide recommendations for adaptation measures. Considering the Paris Climate Agreement, attention will be given to the establishment of effective information system for monitoring climate change adaptation measures per sector, effectiveness of their implementation. This will provide a step ahead towards contributing to the global stock-take of climate change adaptation actions at national level. ***<u>Domestic Monitoring, Reporting and Verification (MRV) system</u>*** While retaining a strong commitment to implement the UNFCCC, the country is facing a number of significant constraints, such as the lack of capacities and complete operational system for MRV. Part of activities for the establishment of the effective MRV system will be covered through the EU IPA

	2013 funded project "Establishment of a mechanism for implementation of MMR" - started in May 2015. However, a number of analyses and capacity building of different institutions and stakeholders still remain to be done. Under the FBUR, initial analysis for the creation of the Domestic MRV system was undertaken. The main purpose of analysis on domestic MRV was to identify current situation, find out existing elements of MRV, current gaps and barriers, capacity needs, any initiatives on project level related to MRV. SBUR/TNC will continue building on the findings of this evaluation. It is worth mentioning that the Third National Communication will address the general issues about MRV, including its organization at the national level. In turn, biennial reporting will be dealing with the specific information on technical and methodological details. The review of the MRV system outlined in the First Biennial Report will be undertaken. An assessment will be made of the different options and possibilities for the national MRV system according to the guidelines to be prepared, taking into account national circumstances and capacities and the different nature of the mitigation measures. Based on the information contained in FBuR, but also based on the results of the IPA 2013 twinning project: "Establishment of a mechanism for implementation of MMR", SBuR will develop "roadmap" and plan on how to establish domestic MRV system in the country in future. Analysis will cover following issues: Design of the Domestic MRV System, Management and Supervision of the MRV System, MRV Implementation Plan, Selection of Standards, Establishment of a Feedback Mechanism, Operationalization, legal and financial gaps and required support. Important finding of MRV analysis was that there is a need to develop a robust institutional framework that encompasses the relevant institutional entities as well as the necessary staff, systems and processes, for an effective and nationally appropriate MRV system. The gaps and needs to establish such a system will be identified and the policy framework for the establishment of domestic MRV system prepared. In addition to this, the technical requirements will be identified for the development of national institutional mechanisms for national MRV. MRV system should support EU related obligations of the Republic of Serbia, in particular concerning following: establishment, maintenance and reporting on the national inventory system and reporting on its changes in line with international and EU requirements (in particular EU MMR provisions), especially concerning: legal arrangements for the national inventory system; QA/QC implementation; appropriate documentation and archiving of inventory data. Additionally, in the SBUR financial and capacity building needs regarding to mitigation actions and its MRV will be identified. Synergies will be established and links made with recommendations for establishment of the effective MRV system under the EU IPA funded MMR project to complement Serbia's obligations arising out of compliance with the EU Acquis. ***Financial, technology and capacity building needs and support received*** In order to evaluate current state, in the SBUR and TNC assessment of fulfilling the UNFCCC reporting requirements will be updated, considering the findings in the previous NCs and FBuR. Additionally, constrains and gaps will be identified, as well as technology, financial and capacity building needs. A study of financial, technological and capacity needs and constraints of institutions responsible for activities related to climate change will be conducted through the collection, synthesis and analysis of existing information, individual interviews or group discussions, site visits, among others. Information on financial resources, technology transfer, capacity building and technical support received from bilateral and multilateral donors, IFIs, etc. for activities related to climate change will be collected and presented. Also, information on national resources allocated for climate change upon ratification of the UNFCCC will be presented in order to show national efforts on the combat against climate change. ***Other relevant information according to UNFCCC*** Relevant to the achievement of the objectives of the UNFCCC, the insufficiency of financial and technological resources and absence of systematic approach are considered as the main barriers to

	strengthen capacity and ensure sustainability of implementation of various programs related to climate change. Therefore, in line with the Doha Work Program, activities related to provisions under Article 6 of the UNFCCC, as well as needs assessment for systematic observation and climate change research and technology needs assessment for various sectors in relation to mitigation and adaptation are among priority areas. The detailed assessments related to these priorities will be launched during the TNC and SBUR inception workshop. Moreover, close correlation with the UNCD will be elaborated. ***Production of the SBUR and the TNC*** The SBUR and TNC will be prepared and presented to the UNFCCC Secretariat according to the requirements at the end of 2018 and 2020 respectively. The documents will be prepared also in the national (Serbian) language and disseminated in national and international workshops and seminars, and among stakeholders. The process of the SBUR and TNC preparation will be interactive with the stakeholders' participation. Regular workshops will be organized to discuss the progress, to share information, exchange ideas and present findings. Both reports presented to the UNFCCC Secretariat will be published. To monitor and evaluate the progress during implementation, the accurate mechanism with the necessary milestones will be presented. The work will start with the inception workshop, on which tentative plan of actions and roadmap will be prepared. The work will be conducted with the strong cooperation of both local and international experts. There will be biannual reporting under the project. Independent experts will be attracted to review both the SBUR and TNC before they are finalized. Challenges encountered, lessons learned and feedback received will be analyzed, shared and disseminated.
D. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:	The TNC/SBUR project contributes to Serbia's commitments under the UNFCCC to enable the country to address climate change considerations (mitigation of GHG emissions and reduction of vulnerability to climate change). By increasing capacity of the country to measure, forecast and evaluate its GHG emissions, identify the most vulnerable sectors and plan adaptation and preparedness measures, the requested funding will be applied in a cost-effective way. Preparation of work programmes on capacity building and awareness raising on climate change is an essential step for strengthening national capacity to implement measures for climate protection, sustainable use of resources and climate resilience. Preparation of work programs on capacity building ensures the cost-efficiency of the GEF Funds. Besides, the design of the TNC and SBUR draws on the experiences and results of the previous NCs and FBUR; in particular, activities will focus on areas and sectors that have been identified as most relevant for the GHG balance in Serbia. A central element of the strategy is to enhance the cost effectiveness of the TNC/SBUR Project through the capitalization of work relations built during the project implementation, and on existing experience with climate change within national institutions, donor agencies, and other related UNDP projects. Particular synergy will be established with EU funded projects in the area of climate change, in particular those that support establishment of the MRV system (IPA twining project on MMR) and "Climate Change Strategy and Action Plan" project. This will maximize utilization of resources of each individual project and produce credible results. The total project enabling cost is estimated to be 852,000. When all components of the project are implemented, capacity of the Republic of Serbia to meet its obligations under the UNFCCC will be strengthened significantly and on a sustainable level. In addition, the TNC and SBUR Reports will be produced, the vulnerability and adaptation measures will be updated, the GHG emission estimates over a longer period will be modeled, and appropriate mitigation measures will be offered. The project will also ensure socio-economic benefits through integrating gender, social and health considerations into biodiversity interventions. In addition, project will ensure adequate preparation of Serbia and its institutions for the forthcoming obligations arising out of the Paris Climate Agreement, such as monitoring NDC implementation, accountability, transparency and global stock-take processes.

E. DESCRIBE THE BUDGETED M&E PLAN:

The project Monitoring and Evaluation (M&E) will be carried out according to UNDP programming policies and procedures through the following activities:

Project start-up

A Project inception meeting will be held within the first two months of project start/project document signature with those with assigned roles in the project organization structure, UNDP country office and other relevant stakeholders. The Inception Workshop is crucial for building ownership of the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

a) Assist all partners to fully understand and take ownership of the project. Determine the roles, support services and complementary responsibilities of UNDP CO and the UNDP-GEF Regional Office vis-à-vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again, as needed.

b) Based on the project results framework and the relevant GEF Tracking Tool, if appropriate, finalize the first Annual Work Plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.

c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.

d) Discuss financial reporting procedures and obligations, and arrangements for annual audit.

e) Plan and schedule Project Executive Board meetings. Roles and responsibilities of all project organization structures should be clarified and meetings planned. The first Project Executive Board meeting should be held simultaneously with the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly

- Progress made shall be monitored in the UNDP ATLAS and UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high.
- Based on the information recorded in Atlas, a Project Progress Report (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned, etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Bi-annual progress

- Status Survey Questionnaries to indicate progress and identify bottleneck as well as technical support needs will be carried out twice a year.

Periodic Monitoring

A detailed schedule of project review meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. This schedule will include: (i) tentative time frames for Project Executive Board meetings, and (ii) project related Monitoring and Evaluation activities. When necessary and useful, respective Monitoring and Evaluation reports will be prepared to take corrective actions.

A detailed schedule of project review meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated

	in the Project Inception Report. This schedule will include: (i) tentative time frames for Project Executive Board meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities. Day to day monitoring of implementation progress will be the responsibility of the National Project Director based on the project's Annual Work plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion. Periodic monitoring of implementation progress will be undertaken by the Project Executive Board through quarterly meetings or more frequently as deemed necessary. This will allow parties to take stock and to resolve any problems or issues pertaining to the project in a timely fashion to ensure smooth implementation of project activities.
F. EXPLAIN THE DEVIATIONS FROM TYPICAL COST RANGES (WHERE APPLICABLE):	N/A

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the *Operational Focal Point endorsement letter(s)* with this template).

NAME	POSITION	MINISTRY	DATE *(Month, day, year)*
Ms. Stana Bozovic	GEF OFP	**MINISTRY OF AGRICULTURE AND ENVIRONMENTAL PROTECTION**	**10/18/2016**

B. CONVENTION PARTICIPATION

CONVENTION	DATE OF RATIFICATION/ ACCESSION (mm/dd/yyyy)	NATIONAL FOCAL POINT	
UNCBD	03/01/2002	Ms. Jelena Ducic	
UNFCCC	03/12/2001	Ms. Danijela Bozanic	
UNCCD	12/18/2007	Ms. Snezana Kuzmanovic	
STOCKHOLM CONVENTION			
	DATE SIGNED (MM/DD/YYYY)	**NATIONAL FOCAL POINT**	**DATE OF NOTIFICATION UNDER ARTICLE 7 TO THE MINAMATA CONVENTION SECRETARIAT**
MINAMATA CONVENTION	**10/09/2014**	**MS. SONJA ROGLIC**	

C. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies[4] and procedures and meets the standards of the GEF Project Review Criteria for Climate Change Enabling Activity approval in GEF 6.					
Agency Coordinator, Agency name	Signature	Date *(Month, day, year)*	Project Contact Person	Telephone	E-mail Address
Ms. Adriana Dinu, UNDP-GEF Executive Coordinator		January, 23, 2017	Mr. Yamil Bonduki, Sr. Program Manager, UNDP-GEF (Green-LECRDs)	+1 212 906 6659	yamil.bonduki@undp.org

[4] GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, and SCCF