



GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project
 TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Contribution of Sustainable Forest Management to a Low Emission and Resilient Development			
Country(ies):	Serbia	GEF Project ID: ¹	9089
GEF Agency(ies):	FAO (select) (select)	GEF Agency Project ID:	635621
Other Executing Partner(s):	Ministry of Agriculture, Forestry and Water Management	Submission Date:	4 October 2017
		Resubmission Date:	6 November 2017
GEF Focal Area (s):	Multi-focal Areas	Project Duration (Months)	48
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP	<input type="checkbox"/>
Name of Parent Program	[if applicable]	Agency Fee (\$)	311,092

A. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES²

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
BD-4 Program 9 (select) (select)	Outcome 9.1 Increased area of production landscape and seascapes that integrate conservation and sustainable use of biodiversity into management Outcome 9.2 Sector policies and regulatory frameworks incorporate biodiversity considerations.	GEFTF	654,932	5,350,111
CCM-2 Program 4 (select) (select) (select)	Outcome A. Accelerated adoption of innovative technologies and management practices for GHG emission reduction and carbon sequestration Outcome B. Policy, planning and regulatory frameworks foster accelerated low GHG development and emissions mitigation	GEFTF	1,528,174	12,150,855
SFM-2 (select) (select) (select)	Outcome 3. Increased application of good management practices in all forests by relevant government, local community and private sector actors	GEFTF	1,091,552	8,679,175
Total project costs			3,274,658	26,180,141

B. PROJECT DESCRIPTION SUMMARY

Project Objective: Contribute to the conservation of biodiversity and climate change mitigation through the promotion of multifunctional sustainable forest management in productive forest landscapes						
Project Components/ Programs	Financing Type ³	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
1.1. Enabling environment for multifunctional sustainable forest	TA	1.1.1 Improved decision-making in management of productive forest	1.1.1: Methodology for forest and biodiversity information collection and management	GEFTF	2,011,722	5,161,237

¹ Project ID number remains the same as the assigned PIF number.

² When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF and CBIT programming directions](#).

³ Financing type can be either investment or technical assistance.

management		landscapes	<p>harmonized with global and regional standards and reporting requirements</p> <p>1.1.2: Integrated Forest Information System (IFIS) including biodiversity, carbon and socio-economic information</p> <p>1.1.3: National forest inventory conducted including assessment and collection of information relevant to biodiversity conservation and climate change mitigation</p> <p>1.1.4: Existing carbon monitoring, reporting and verification (MRV) systems, reviewed and adapted to Serbian context</p> <p>1.1.5: Forest development programme and legislation revised to incorporate biodiversity climate change mitigation and socio-economic concerns</p> <p>1.1.6: National standards for best management practices in different forest types</p> <p>1.1.7: National level multisectoral coordination platform for multifunctional sustainable forest management established</p>			
	TA	1.2 Institutional capacities strengthened for multi-functional forest management	Output 1.2.1: Training programme for forest managers, users and administrators in updated SFM techniques and BD management in productive landscapes established and	GEFTF	132,387	1,033,000

			implemented, including a training of trainers			
2. Multifunctional forest management	TA	2.1 Increased forest area under sustainable and multi-functional forest management	2.1.1: Biodiversity status and impact of land use on biodiversity assessed in the project areas 2.1.2: Integrated and improved forest development plans prepared for at least 2 forest regions 2.1.3: Forest management plans implemented 2.1.4: Strategic and policy options to ensure commitment of private forest owners and users to sustainable forest management developed and validated	GEFTF	813,214	17,902,904
3. Monitoring, Evaluation and dissemination of lessons learned	TA	3.1 Adaptive management ensured and key lessons shared	3.1.1: Monitoring system providing systematic information on progress in reaching expected outcomes and targets 3.1.2: Mid-term and final evaluation conducted 3.1.3: Project achievement and results recorded and disseminated	GEFTF	161,400	1,983,000
Subtotal					3,118,722	26,080,141
Project Management Cost (PMC) ⁴				(select)	155,936	100,000
Total project costs					3,274,658	26,180,141

C. CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE

Please include evidence for co-financing for the project with this form.

⁴ For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (\$)
Government	Ministry of Agriculture, Forestry and Water Management *	Cash	15.486.141
Government	Ministry of Agriculture , Forestry and Water Management *	In-Kind	5.545.000
Government	Institute of Forestry	In-Kind	445.000
Government	Novi Sad University	In-Kind	445.000
Government	National Park Fruska Gora	In-Kind	285.200
Government	National Park Djerdap	In-Kind	142.600
Government	National Park Tara	In-Kind	855.600
Government	Public Enterprise Srbijasume	In-Kind	980.000
Government	Public Enterprise Vojvodinasume	In-Kind	420.000
Government	Forest technical high school Kraljevo	In-Kind	713.000
Government	Chamber of Forestry Engineers	In-Kind	220.000
Government	National Park Kopaonik	In-Kind	142,600
GEF Agency	FAO	Cash	300.000
GEF Agency	FAO	In-Kind	200.000
Total Co-financing			26,180,141

D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee ^{a)} (b) ²	Total (c)=a+b
FAO	GEF TF	Serbia	Biodiversity	(select as applicable)	654,932	62,218	717,150
FAO	GEF TF	Serbia	Climate Change	(select as applicable)	1,528,174	145,176	1,673,350
FAO	GEF TF	Serbia	Multi-focal Areas	SFM	1,091,553	103,697	1,195,250
Total Grant Resources					3,274,658	311,092	3,585,750

a) Refer to the Fee Policy for GEF Partner Agencies

E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS⁵

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	Improved management of landscapes and seascapes covering 300 million hectares	476,010 hectares
2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	120 million hectares under sustainable land management	20,000 hectares
3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	Water-food-ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins;	Number of freshwater basins
	20% of globally over-exploited fisheries (by volume) moved to more sustainable levels	Percent of fisheries, by volume
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO _{2e} mitigated (include both direct and indirect)	1,784,288 metric tons
5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)	metric tons
	Reduction of 1000 tons of Mercury	metric tons
	Phase-out of 303.44 tons of ODP (HCFC)	ODP tons
6. Enhance capacity of countries to implement MEAs (multilateral environmental agreements) and mainstream into national and sub-national policy, planning financial and legal frameworks	Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries	Number of Countries:
	Functional environmental information systems are established to support decision-making in at least 10 countries	Number of Countries:

F. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/CBIT Trust Fund) in Annex D.

⁵ Update the applicable indicators provided at PIF stage. Progress in programming against these targets for the projects per the Corporate Results Framework in the *GEF-6 Programming Directions*, will be aggregated and reported during mid-term and at the conclusion of the replenishment period.

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN WITH THE ORIGINAL PIF⁶

A.1. *Project Description.* Elaborate on: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed; 2) the baseline scenario or any associated baseline projects, 3) the proposed alternative scenario, GEF focal area⁷ strategies, with a brief description of expected outcomes and components of the project, 4) incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCE, SCCF, CBIT and co-financing; 5) global environmental benefits (GEFTF) and/or adaptation benefits (LDCE/SCCF); and 6) innovativeness, sustainability and potential for scaling up.

1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed;

In the preparation phase, the lack of understanding and technical capacity on Sustainable Forest Management was identified as a fourth key barrier to be addressed by the project. The project will address this barrier through its training programme (output 1.2.1). Furthermore, dedicated capacity building activities for different stakeholders have been strengthened under other outputs in component 1, notably trainings for operators of the Integrated Forest Information System, output 1.1.2, and trainings for staff of the Ministry and public enterprises on the national forest inventory, output 1.1.3. Under Component 2, capacity building activities for forest managers involved in forest development planning (output 2.1.2) and forest management (output 2.1.3) have been strengthened.

2) the baseline scenario or any associated baseline projects,

The GIZ project on sustainable bioenergy markets foreseen as co-financing in the PIF ended in 2017 and will not be extended, thus it cannot be considered co-financing. Likewise, the SFM project funded by the German Ministry for Agriculture and Consumer Protection and implemented by GFA, foreseen as co-financing in the PIF, ended in 2017. However, it is likely that Germany will fund a follow-up project currently under final negotiation, to be implemented in 2017-2019 and will aim to develop and implement vocational training and practical postgraduate training programmes for the forestry sector. This project will directly contribute to the GEF project outcome 1.2.

3) the proposed alternative scenario, GEF focal area⁸ strategies, with a brief description of expected outcomes and components of the project,

N/A

4) incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCE, SCCF, CBIT and co-financing;

Please see comment under point 2 for changes in baseline projects and cofinancing structure. Total co-financing amounts to 26,000,000 USD, as compared to 30,000,000 foreseen in the PIF, due to increased contributions of the Ministry of Forests, Agriculture and Water Management, and contributions of public institutions (public enterprises, national park administrations, and forestry institutes) which underline the commitment of the stakeholder institutions to the project.

5) global environmental benefits (GEFTF) and/or adaptation benefits (LDCE/SCCF); and

⁶ For questions A.1 –A.7 in Part II, if there are no changes since PIF, no need to respond, please enter “NA” after the respective question.

⁷ For biodiversity projects, in addition to explaining the project’s consistency with the biodiversity focal area strategy, objectives and programs, please also describe which Aichi Target(s) the project will directly contribute to achieving..

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Biodiversity / Sustainable Forest Management:

The target values for the area under direct intervention differ from the values proposed in the PIF (80,000 ha under sustainable forest management). The target has been modified to reflect the two-tiered structure to forest management in Serbia (see section 1.1 of the prodoc), recognizing forest development plans at regional level and forest management plans at local level.

Under the project, forest development plans (FDPs) for two regions (Voivodina and Western Serbia) covering 476,010 ha will be updated based on the methodology and information generated by the project. These FDPs will form the framework for the forest management planing in all forest management units in the regions in the future. For example, areas identified in the FDP for forest regeneration, afforestation, or management restrictions due to biodiversity concerns must be reflected in the respective FMP. The area in the forest regions under improved FDPs is considered as *indirect coverage*. The area includes the Obeska Bara Special Nature Reserve (Voivodina Region) and Tara National Park (Western Serbia Region) totaling 44,658 ha, which have been selected because of their importance for biodiversity (see annexes 8 and 9 to the prodoc)

At the local level, two to four forest management units in each of the two pilot region will be selected covering at least 20,000 ha of public and private forests in total. These will be selected at project inception based on best available information on representative forest types, ecosystems, and ownership structure. In these pilot FMPs, the project will carry out mapping exercises and a continuous training program for forest owners and managers to enable the implementation of interventions for biodiversity conservation and carbon sequestration which will be continually monitored over the project lifetime. The area of the pilot FMUs is considered as *direct coverage* of the project.

Due to the complex ownership structure of private forest in Serbia, where 70 % of the private forest owners own parcels of less than 1 ha (see section 1.1 of the prodoc), it was determined at the PPG stage that it would not be feasible to commit to a larger direct coverage under the project. However, as the project will develop strategic ties with key actors (public forest enterprises, private forest owners' associations) which are responsible for forest management of much larger areas, it can be assumed that the practices will be replicated in other areas indirectly covered by the project.

The project will contribute to the following Aichi targets:

Aichi Biodiversity Target	Project Outputs	Indicators
Target 1: By 2020, at the latest, people are aware of the values of biodiversity and the steps they can take to conserve and use it sustainably.	Output 1.2.1: 120 staff/members (forest users, forestry administration and institutes) trained in updated SFM techniques and BD management in productive landscapes.	120 forest managers trained in biodiversity use and conservation (data will be disaggregated by sex and age)
Target 2: By 2020, at the latest, biodiversity values have been integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and	- Output 1.1.5: Forest development programme and legislation revised to incorporate biodiversity climate change mitigation and socio-economic concerns - National standards for best management practices in in different forest types developed	- One (1) Recommendation document available - 15 SEM guidelines available and disseminated

reporting systems.		
<p>Target 3</p> <p>By 2020, at the latest, incentives, including subsidies, harmful to biodiversity are eliminated, phased out or reformed in order to minimize or avoid negative impacts, and positive incentives for the conservation and sustainable use of biodiversity are developed and applied, consistent and in harmony with the Convention and other relevant international obligations, taking into account national socio economic conditions.</p>	<p>Output 2.1.4 Strategic and policy options to ensure commitment of private forest owners and users to SFM through extension, incentive mechanisms and certification, developed and validated</p>	<p>One (1) concept for a comprehensive forest extension service for private forest owners</p> <p>One (1) validated action plan and policy recommendations to mainstream incentives for SFM for private forest owners (fiscal incentives, ecosystem services, market access, certification schemes) into forest policy</p>
<p>Target 7</p> <p>By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.</p>	<p>Output 2.1.2: Integrated and improved sustainable forest development plans prepared</p> <p>Output 2.1.3: Forest management plans implemented</p>	<p>Two forest regions covering 475,000 ha under improved forest development plans</p> <p>Four (4) to eight (8) forest management units covering at least 20,000 ha of forest lands under sustainable forest management</p>

Carbon sequestration:

The calculation of carbon benefits was thoroughly revised during project preparation using FAO's Ex-ACT tool. 1,784,288 t CO₂-eq are estimated to be sequestered through conversion of coppice into high forests, as compared to an estimation of 945,200 t CO₂-eq at PIF stage. For details please refer to Annex 10 of the produc.

6) innovativeness, sustainability and potential for scaling up.

N/A

Finally, while the main structure of the log-frame was not changed, the wording of several outputs has been modified to better reflect the activities that will be implemented to achieve the project outcomes. Components and Outcomes have remained the same. The changes are summarized in the table below:

Table 1. Summary of changes in project design

Output as stated in approved PIF	Revised Output	Comment
---	1.1.2: Integrated Forest Information System (IFIS) including biodiversity,	A dedicated output for the Integrated Forest Information System (under

	carbon and socio-economic information	output 1.1.1 at PIF stage) has been included, due to the volume of dedicated activities and resources. Subsequent output numbering has been adjusted accordingly.
1.1.4 Forest development strategy and legislation revised to incorporate biodiversity and climate change mitigation concerns	1.1.5: Forest development programme and legislation revised to incorporate biodiversity climate change mitigation and socio-economic concerns	The revision of policy and legal instruments will focus on forest development programme rather than on the forest development strategy. The program forms the basis of forest planning at national level and is currently under development. To effectively address the barrier of limited inclusion of private forest owners into the forest development programme, socio-economic issues will be addressed in the revision process.
1.1.5. National standards for best management practices in non-state forests developed to enable participation in forest certification schemes	1.1.6: National standards for best management practices in different forest types	The output has been amended to include good practices for all forests, not only non-state forests as foreseen in the PIF.
1.2.1 120 staff/members (forest users, forestry administration and institutes.) trained in updated SFM techniques and BD management in productive landscapes.	Output 1.2.1: Training programme for forest managers, users and administrators in updated SFM techniques and BD management in productive landscapes established and implemented, including a training of trainers	To ensure sustainability of the capacity-building activities, a training of trainers module was added under this output. Thus, 20 qualified trainers on SFM will be available for future training activities.
2.1.4 Non-state forest owners are committed to SFM through incentive mechanism and developed simplified forest management plans, respecting HCV forest areas.	2.1.4: Strategic and policy options to ensure commitment of private forest owners and users to sustainable forest management developed and validated	During project preparation stakeholders determined that the implementation of incentive mechanisms to ensure commitment of non-state owners would exceed the scope of the project. Rather, the project should develop different strategic and policy options, including incentives, and validate them with relevant stakeholders. The output was adjusted accordingly.

A.2. *Child Project?* If this is a child project under a program, describe how the components contribute to the overall program impact.

Not applicable

A.3. *Stakeholders*. Identify key stakeholders and elaborate on how the key stakeholders engagement is incorporated in the preparation and implementation of the project. Do they include civil society organizations (yes /no)? and indigenous peoples (yes /no)? ⁹

During Project preparation, multiple consultations have been held with stakeholders and potential partners. In September 2017 the Government restructured the former Ministry of Agriculture and Environmental Protection into two Ministries: Ministry of Agriculture, Forestry and Water Management (MAFWM)- Directorate of Forests and the Ministry of Environmental Protection. The main counterpart, the Directorate of Forests, has been transferred to MAFWM. This change has been reflected as much as possible in the project document, however, the stakeholder structure and governance arrangements will have to be revised at inception. At the local level, the Project will work with Farmer Councils and Self-Governing Communities. These are civil society organizations. At all sites under Outcome 2 these CSOs will be involved as direct beneficiaries and local implementing partners. This will also establish models for SCF working with these CSOs that can be replicated.

The project will work with a wide array of stakeholders, from the local and national level. The main stakeholders and their roles are listed in Table 2:

Table 2 Project stakeholders.

Stakeholder	Type of engagement in project implementation
Ministry of Agriculture, Forestry and Water Management - Directorate of Forests	The Directorate of Forests is one of the main beneficiaries of the project. The DF will lead the project implementation process along with FAO. It will provide the bulk of the cofinancing through the Forest Fund which administers. The DF will be responsible to transform and adopt recommendations of the project into policies and programmes.
Ministry of Environmental Protection (MEP), notably Department for Nature Protection, and other relevant Ministries	MEP and all other relevant government entities will be involved in extensive consultations to understand their current and potential role in promoting and implementing sustainable forest management, and to address conflicts and barriers, for example with regard to data sharing.
Public Enterprises (PEs) Voivodinasume and Srbjasume	The PEs are beneficiaries of the project, and key project implementation partners at regional and local level. They will be involved in the implementation of the NFI field surveys, validation of strategies, training activities and implementation of SFM at regional and local level. Important contributors of cofinancing.
Private forest owners and their associations	PFOs and PFOAs are main beneficiaries of the project, and key project implementation partners at local level. They will be involved in the validation of strategies, training activities and implementation of SFM at local level.
Academic and research institutes: Forest Faculty Kraljevo School	Academic institutions are expected to play a key role in capacity building, information management and dissemination activities. They will play a central role in providing expertise, for instance in the definition of SFM guidelines. The Kraljevo Forest Technical High School will play a fundamental role in supporting the SFM training programme.
Civil Society Organizations	CSOs will play a vital role in validating recommendations and strategies produced under the project. Furthermore, they are valuable partners for dissemination of information. The project will ensure that those CSOs

⁹ As per the GEF-6 Corporate Results Framework in the GEF Programming Directions and GEF-6 Gender Core Indicators in the Gender Equality Action Plan, provide information on these specific indicators on stakeholders (including civil society organization and indigenous peoples) and gender.

Stakeholder	Type of engagement in project implementation
Local communities	working with rural women are engaged. Local communities are important partners for project implementation at local level. They will be involved in all relevant consultations, to contribute their understanding and perspectives and sustainable forest management, threats and opportunities of forests. The project will ensure that women and men residing in the pilot areas and depending on forests for their livelihoods, are informed and engaged. Furthermore, they will play an important part in disseminating information.
State Environmental Protection Agency (SEPA)	As the main clearing house for environmental information in Serbia, SEPA will have a crucial role in ensuring that the information products and services generated under the project are compatible with existing information systems. Also, SEPA will have a key role in facilitating data and information exchange with other environmental databases of the government.
Institutes of Nature Conservation Serbia and Voivodina	As legal entities charged with approving the forest management plans, the Institutes are important partners to advise and approve the Forest Management Plans at local level and Forest Development Plans at regional level. Furthermore, they will be engaged in the validation of products such as the SFM guidelines.
PE National Parks	The PEs of the National Parks are beneficiaries of the project, and key project implementation partners at regional and local level. They will be involved in the assessment of forest biodiversity in the pilot areas, validation of strategies, training activities and implementation of SFM at local level. NPs Tara, Fruska Gora, and Djerdap are important contributors of cofinancing.
Chamber of Forestry	The Chamber of Forestry will be an important ally of the project for the dissemination of information through its network of members and partners. It will provide co-financing through training and advisory services.
The Coordination Body for Gender Equality of the Prime Minister's Office	The Coordination Body for Gender Equality of the Prime Minister's Office is the main body for gender equality of Serbia. It provides technical advice and coordination support on gender equality issues.
Statistical Office of the Republic of Serbia	The Statistical Office of the Republic of Serbia is a key partner in enriching the IFIS with socio-economic data, which will help better in understanding the socio-economic aspects that impact the sustainable forest management, so strategies to address them can be developed. The Statistical Office is also a key partner in advancing towards the nationalization and implementation of the Sustainable Development Goals (SDGs) related to Forests.

A.4. Gender Equality and Women's Empowerment. Elaborate on how gender equality and women's empowerment issues are mainstreamed into the project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men. In addition, 1) did the project conduct a gender analysis during project preparation (yes /no)?; 2) did the project incorporate a gender responsive project results framework, including sex-disaggregated indicators (yes /no)?; and 3) what is the share of women and men direct beneficiaries (women X%, men X%)? ¹⁰

¹⁰ Same as footnote 8 above.

During the preparation of the project document, a gender assessment was conducted to identify women and men use and dependency of forests from communities living in the pilot areas, including field research. According to these findings, men are predominantly engaged in firewood collection, whereas women tend to be more engaged in the collection of non-wood forest products (NWFPs). Forest work is socially considered to be more appropriate to men, and private forests are registered in the name of a male family member, who usually tend to take the decisions regarding the family forests. Women also are less likely to attend to meetings related to forest use or management. More information and knowledge on economic opportunities from forest was identified as a key need and interest from women and men who, even though partly depend on forests for their livelihoods, feel do not have sufficient information on how to improve their livelihoods with forests.

A gender mainstreaming strategy has been incorporated throughout the project document, and all relevant outputs include gender and social inclusion considerations, including the following:

- Under Output 1.1.2, the project will support the development and implementation of indicators to monitor the use of forests disaggregated by sex, age, educational level, which will feed the IFIS and will allow for improved decision making.
- Under Output 1.1.5, the project will support the inclusion of a gender-responsive budget in the forest development strategy.
- Under Output 1.2.1 the project will develop training modules on socio-economic issues in sustainable forest management, including gender mainstreaming.
- Under output 2.1.4, the project will develop special measures to ensure that the forest extension service reaches those most vulnerable, and both women and men.

In line with the GEF Policy on Gender Mainstreaming, the GEF-6 approach on gender mainstreaming and women's empowerment, and the FAO Policy on Gender Equality and its Environmental and Social Management Safeguards, gender concerns will be addressed throughout the Project implementation cycle. The M&E system on the project will include gender sensitive indicators its monitoring and evaluation.

A.5 Risk. Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

A full risk analysis following FAO guidance with identification of mitigation actions can be found in Appendix 4 of the PRODOC. A summary of the project's risk analysis is found in Table 3 below:

Table 3: Project risks

Description of risk	Impact ¹¹	Probability of occurrence ¹	Degree of incidence	Mitigation actions
Lack of close and collaborative cooperation between institutional stakeholders	The lack of collaboration among stakeholders will negatively influence the sustainability of the results, particularly with regard to the information system, and the application of products such as SFM standards.	ML	MH	Close and collaborative cooperation between many institutional stakeholders will be essential for the project to achieve its stated goal and objectives. This will be achieved through involvement of all stakeholders from the beginning of the project inception process and through establishment of the national multisectoral coordination platform. A

¹¹ H: High; MH: Moderately High; ML: Moderately Low; L: Low

Description of risk	Impact ¹¹	Probability of occurrence ¹	Degree of incidence	Mitigation actions
	Furthermore, replication of the activities at regional and local level will be difficult.			communication strategy will also be developed and regular meetings and presentation of project results in different phases of the project implementation will be organized.
Low technical capacity of experts and institutions at national and local level halting the project's progress	The lack of technical capacities may slow down the identification of qualified experts and institutions to implement project activities difficult. It may also slow down progress of project execution.	L	ML	The assessment conducted during the PPG phase shows that this risk is low and suitable national experts can be identified. However, some international experts will be hired with project resources in order to provide guidance on some specific technical issues and further strengthen capacities at the national level. In terms of institutional capacity, the risk will be mitigated through the project's capacity building activities.
Lack of political support for the project	Lack of political support can lead to serious delays project execution. Some outcomes may not be achieved, or have a limited impact, particularly at policy level.	L	MH	Achievement of the project goals, especially in regard to policy development and enforcement will rely on political willingness. Engagement of high level officials throughout the project implementation and involvement of appropriate officials in the project steering committee will aid in ensuring political support. In the preparation phase, high-level officials were engaged in workshops and discussions.
Natural changes in ecosystems and associated species due to gradual changes in climate and extreme weather events.	Natural changes in ecosystems may impact the validity of some products such as the national guidelines for SFM. Extreme weather events such as droughts and floods and associated events such as forest fires during project implementation may divert resources and interest from the project activities, and limit the impact, particularly at local level.	Unknown	L (gradual changes) MH (extreme events)	Outputs and capacity building activities will be designed, taking into account likely changes in ecosystems. The information system developed under the project will identify changes in ecosystems likely to be linked to climate change (e.g. occurrence of forest fires, pests and diseases, spread of invasive species) so that remedial actions can be taken.
Lack of willingness and capacities of private forest owners to engage in project activities	The lack of interest and capacities of private forest owners may slow the implementation of activities at local level, and negatively influence in the replication	M	H	The communication activities of the project will ensure that private forest owners are aware of the projects and the associated benefits. Alliances will be sought with local forest owners associations and community-based organizations to establish good relationships with local stakeholders. Regular activities and presence of project staff in

Description of risk	Impact ¹¹	Probability of occurrence ¹	Degree of incidence	Mitigation actions
	of activities.			the intervention areas will also help build trust.
Difficulties to implement forest management plans at Forest Management Unit level due to a fragmentation of private forests	The high fragmentation of private forest management units composed of many parcels of less than 1 ha makes it difficult to implement activities with a view to improve larger-scale ecosystem conservation due to the involvement of a large amount of stakeholders.	MH	MH	To ensure the generation of the global environmental benefits, the project will intervene both in forest management units of public enterprises with a uniform tenure structure, and FMUs at municipal level comprised of holdings of small private forest owners, who for the most part own parcels of 1 ha or less. In the municipal FMUs, the project will work as much as possible with local forest users associations
Lack of willingness of institutions to share information	The lack of institutions to share information may impede the proper functioning and update of the forest information system.	MH	MH	The establishment of the forest information system relies on the willingness of institutions to share data, which is a sensitive issue in Serbia. To mitigate the risk, the project will ensure a regular information flow to partner institutions, ensuring the transparency of the information system including protocols as well as clear regulations on data use and access rights. Furthermore, a by-law on data sharing will be developed which governs the data sharing agreement between the Forest Directorate and other agencies under the Ministry of Agriculture and Environment.

A.6. Institutional Arrangement and Coordination. Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

The **Food and Agriculture Organization of the United Nations (FAO)** will be the GEF Agency responsible for supervision and provision of technical guidance during project implementation. In addition, at the request of the government of Serbia FAO will act as financial and operational Executing Agency, and will deliver procurement and contracting services to the project using FAO rules and procedures, as well as financial services to manage GEF resources. Section 3.2.2 of the PRODOC provides a detailed description of FAO's roles and responsibilities in the project governance structure.

The main institutions involved in the project are the **Ministry of Agriculture, Forestry and Water Management (MAFW)** - Directorate of Forests, and **Ministry of Environmental Protection** – Departments responsible for Nature Protection, Biodiversity and Climate Change.¹²

¹² . In September 2017 the Government restructured the former Ministry of Agriculture and Environmental Protection into two Ministries: Ministry of Agriculture, Forestry and Water Management (MAFWM)- Directorate of Forests and the Ministry of Environmental Protection. The main counterpart, the Directorate of Forests, has been transferred to MAFWM. This change has been reflected as much as possible in the project document, however, the governance arrangements will have to be revised at inception.

The Directorate of Forests will be the project implementing partner. The Directorate of Forests will be responsible for ensuring the overall coordination of the project's implementation, as well as coordination and collaboration with partner institutions, local community organizations and other entities participating in the project, and for managing at the national level the cofinancing agreed during the formulation of the project.

FAO and the implementing partners will collaborate with the implementing agencies of other programs and projects in order to identify opportunities and mechanisms to facilitate synergies with other relevant GEF projects, as well as projects supported by other donors. This collaboration will include: (i) informal communications between GEF agencies and other partners in implementing programs and projects; and (ii) exchange of information and outreach materials between projects.

The project will develop mechanisms for collaboration with the following initiatives in Serbia:

- GEF Project #5822 Enhanced Cross-Sectoral Land Management through Land Use Pressure Reduction and Planning, implemented by UNEP. The project aims to develop instruments and mechanisms for integrated land use management, remediation, and capacity development to reduce pressures on land as a natural resource from competing land uses in the wider landscape and to support reversal of land degradation.
- GEF Project #4517 Reducing Barriers to Accelerate the Development of Biomass Markets in Serbia, implemented by UNDP.

At global level, interactions with the following GEF-funded SFM projects implemented by FAO will be sought to incorporate lessons and foster exchange of experiences:

- GEF Project #4761 Sustainable management of mountainous forest and land resources under climate change conditions in the Kyrgyz Republic;
- GEF Project #4744 Mainstreaming biodiversity conservation, SFM and carbon sink enhancement into Mongolia's productive forest landscapes;
- GEF Project #5139 Sustainable forest management to enhance the resilience of forests to climate change in China.

For strategic decisions a Project Steering Committee (PSC) will be established, which will consist of representatives of MAFW, MEP and FAO. Its main function is to guide the implementation of the project, check and approve the annual work plans, approve the financial and technical reports, and provide strategic guidance to the driving general project (section 3.2.3 describes features of the PSC).

The MAFW will designate a National Project Director (NPD). The NPD will be a MAFW- Directorate of Forests staff and will have the responsibility of supervising and guiding the Project Coordinator on the government policies and priorities. He/she will also be responsible for coordinating the activities with all the national bodies related to the different project components, as well as with the project partners. He/she will be responsible for requesting FAO the timely disbursement of GEF resources that will allow the execution of project activities, in strict accordance with the Project Results-Based Budget and the approved AWP/B for the current project year.

A GEF-financed Project Team (PT) will be established. The main responsibility of the PT, following the directives and decisions of the Project Steering Committee and under the supervision of the NPD, is to ensure coordination and execution of the project through the rigorous and effective implementation of the AWP/B.

Under the supervision of the NPD, the PT will be headed by a full-time Project Coordinator (PC) (financed by GEF funds) who will be in charge of project daily management and technical supervision including: i) coordinate and closely supervise the implementation of project activities; ii) day-to-day project management; iii) coordination with related initiatives; iv) ensuring collaboration between the participating national, provincial and local institutions and organizations; v) implement and manage the project M&E plan and its communication program; vi) prepare the Project Progress Reports (PPRs), containing information on the activities carried out and the progress in the achievement of outcomes and outputs; vii) organize annual project workshops and meetings to monitor project progress and will prepare the Annual Work Plans and Budgets (AWP/B); vii)

submit PPRs together with the AWP/B to the Project Management Committee (PMC) for approval and presentation to the Project Steering Committee (PSC) and FAO; viii) act as secretary to the PMC and PSC; ix) supporting the preparation of PIRs, mid-term and final evaluations.

Additional Information not well elaborated at PIF Stage:

A.7 Benefits. Describe the socioeconomic benefits to be delivered by the project at the national and local levels. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCE/SCCF)?

At national level, the forestry sector is an important part of the economy, contributing about 2.3 % to the GDP. It sustains about 7640 jobs in the country. At the same time, due to unsustainable management practices, the condition of most forests is unsatisfactory. Serbian forests are characterized by a low standing volume and annual increment. In particular, this applies to short-rotation coppice forests which make up more than 60 % of the productive forests. This form of management limits productivity of the forests. Through the project, the capacities of public and private forest owners will be strengthened to implement sustainable forest management practices. Through these practices, forest productivity can be increased, which in turn increases revenue of public forest enterprises, private forest owners, and associated enterprises along the value chain. It also increases the delivery of forest ecosystem services such as biodiversity and hydrological services, as well as an increased carbon stock. This benefits not only forest owners and users, but the society at large.

At local level, the project will help improve the livelihoods of private forest owners and forest users in the pilot regions. Through more sustainable forest management introduced by the project, the value of the forests will be increased, providing tangible benefits to forest owners. Benefits can include greater accessibility of firewood which is the primary energy source of local communities, as well as non-wood forest products such as honey, berries and mushrooms which are an important source of income, in particular for women. Other potential benefits include tourism activities.

A.8 Knowledge Management. Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.

A communication strategy will be developed to ensure that project products, milestones, results and lessons are widely disseminated to key actors using appropriate communication tools and methods. This includes information material on key products such as the updated SFM guidelines for forest managers, use of the IFIS, and the guidelines on participation in certification schemes. The information will be disseminated through presence in local media, as well as the set up and regular update of a project website, and social media channels as appropriate. A publication on lessons learned will be prepared, and the project results will be presented at least in one international forum on SFM to disseminate the results to an international audience.

To ensure smooth implementation of the communication strategy, a part-time communication expert will be hired for a total dedication of 12 months over the whole project period.

FAO will ensure that the project findings are distributed to a wide range of stakeholders in the region and at global level, through its international networks on sustainable forest management.

FAO and GEF logos will be used, along with government logo, in all knowledge products and in any communication materials developed (such as posters, pamphlets etc.).

- B. Description of the consistency of the project with:

B.1 *Consistency with National Priorities*. Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.:

The project is consistent with national development goals and policies as expressed in the National Strategy for Sustainable Development, the national Forest Development Strategy, as well as the national Biodiversity Strategy. The National Strategy for Sustainable Development (2007) defines as strategic objectives regarding the management and use of forests and forest land: (i) harmonization of national legislation in the area of sustainable forests management with the EU legislation; (ii) Enhancing the situation of forests: by transferring low forests into high forests, amelioration of degraded forests and low forests of bad quality, supporting natural recovery and protection of forests; (iii) Improving sustainable management in forests and protected natural areas; and (iv) Increase the territory under forests to 29% of the territory of Serbia by 2015.

The Forestry Development Strategy (FDS) of the Republic of Serbia (2008) identifies the need for improvement of forest management, taking into account protected area management and sustainable management of the surrounding landscapes. According to the Strategy, the general state of forests is unsatisfactory, and the actual state of state forests is characterized by an unfavorable age structure, unsatisfactory density of stocking and forest cover percentage; unfavorable stand condition - high percentage of stands with discontinuous canopy and weeded areas and unsatisfactory health condition. The project addressed these concerns through its silvicultural activities.

According to the Biodiversity Strategy of the Republic of Serbia for the period 2011-2018, the main obstacles in nature conservation are lack of data (national flora, national vegetation, and national fauna) and an integral information system and inadequate management of forest ecosystems and protected areas. It stipulates involvement of climate change issues into biodiversity related documents and actions and underline the importance of relations with forestry related planning. These obstacles are directly addressed by the project.

The project is also in line with the National Strategy for Gender Equality 2016 – 2020 and the gender-responsive budgeting principle of the Budget Law of Serbia introduced in 2016.

The first National Communication to the UNFCCC articulates the contribution of the forest sector to GHG emissions and proposes certain actions in regard to emission reduction in this sector. There is a specific mention of lack of capacities in forest carbon management and availability of adequate inventory data. The project will address these gaps directly.

C. DESCRIBE THE BUDGETED M & E PLAN:

The monitoring and evaluation roles and responsibilities are summarized in Table 3 below. M&E activities will be undertaken through: (i) day-to-day monitoring and project progress supervision missions (PMU); (ii) technical monitoring of indicators to measure a reduction in land degradation (PMU and LTU in coordination with partners); (iii) mid-term review and final evaluation (independent consultants and FAO Evaluation Office); and (v) monitoring and supervision missions (FAO). Project M&E activities are estimated at USD 153,060. For further details kindly refer to Section 3.5 of the FAO GEF Project Document.

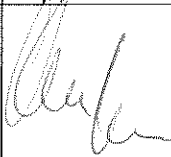
M&E Activity	Responsible parties	Time frame/ Periodicity	Budget
Inception, final and annual planning workshops	NPC; FAO (with support from the LTO, and FAO-GEF Coordination Unit)	Within two months of project start up	USD 4,050
Project Inception report	NPC, Expert M&E and FAO with clearance by the LTO, BH and FAO-GEF Coordination Unit	Within three months after project start	-
Set-up and operation of M+E System, training of project staff in M+E	PC, National M+E Expert, International M+E Expert	Months 2-4 1 month /year during years 2,3,4	USD 24,000 (two months of the national M+E expert, 1 mission of the international expert)
Field-based impact monitoring	NPC; PC, Component Coordinator 2; project partners, local organizations	Continuous	USD 25,000 (7% of the Project Coordinator and Component Coordinator 2's time, technical workshops to identify indicators, monitoring and evaluation workshops)
Supervision visits and rating of progress in PPRs and PIRs	PC; FAO (FAO, LTO). FAO-GEF Coordination Unit may participate in the visits if needed.	Annual, or as needed	FAO visits will be borne by GEF agency fees Project Coordination visits shall be borne by the project's travel budget
Project Progress Reports (PPRs)	PC, with stakeholder contributions and other participating institutions	Six-monthly	USD 6,580 (3.5% of the Project Coordinator's time)
Project Implementation Review (PIR)	Drafted by the PC, with the supervision of the LTO and BH. Approved and submitted to GEF by the FAO-GEF Coordination Unit	Annual	FAO staff time financed through GEF agency fees. PT time covered by the project budget.
Co-financing reports	PC with input from other co-financiers	Annual	USD 1880 (1% of the Coordinator's time)
Technical reports	PC, FAO (LTO, FAO REU)	As needed	
Mid-term review	FAO, External consultant, in consultation with the project team, including the FAO-GEF Coordination Unit and others	Midway through the project implementation period	USD 35,000 by an external consultancy

M&E Activity	Responsible parties	Time frame/ Periodicity	Budget
Final evaluation	External consultant, FAO Independent Evaluation Unit in consultation with the project team, including the FAO-GEF Coordination Unit and others	At the end of the project	USD 50,000 by an external consultancy. FAO staff time and travel costs will be financed by GEF agency fees.
Terminal Report	NPC; FAO (FAO, LTO, FAO-GEF Coordination Unit, TCS Reporting Unit)	Two months prior to the end of the project.	USD 6550
Total budget			USD 153,060

PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)

A. GEF Agency(ies) certification

This request has been prepared in accordance with GEF policies¹³ and procedures and meets the GEF criteria for CEO endorsement under GEF-6.

Agency Coordinator, Agency Name	Signature	Date (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Alexander Jones Director, Climate and Environment Division		6 November 2017	Norbert Winkler, Forestry Officer, FAO REU	+36 1 4612024	Norbert.Winkler@fao.org
Jeffrey Griffin Senior Coordinator GEF Unit Investment Center					

¹³ GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT
GEF6 CEO Endorsement /Approval Template-August2016

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
<p>Objective: To promote multifunctional sustainable forest management to conserve biodiversity, enhance and conserve carbon stocks and secure forest ecosystem services in productive forest landscapes</p> <p>Component 1: Enabling environment for multifunctional sustainable forest management</p>							
<p><u>Outcome 1.1</u> Improved decision-making in management of productive forest landscapes</p>	<p><i>Indicator CCM-9: Degree of support for low GHG development in policy, planning and regulations</i></p>	<p>Rating - 2: Climate change mitigation contribution in the forest sector mentioned in national CCM strategy, but outdated; no sectoral strategy and implementation</p>		<p>Rating - 6: CCM consideration reflected in sectoral documents and action plans; as well as forest development and forest management plans under implementation</p>	<p>1 Strategy to mainstream BD and CCM aspects in legislation (output 1.1.5) 15 SFM guidelines for typical forest types (output 1.1.6) 1 Guidelines for regional forestry development and forest management planning (output 1.1.1) 1 Concept for a comprehensive forest extension service (output 2.1.4) 1 Action plan to mainstream incentives for SFM into forest policy (output 2.1.4)</p>	<p>Collaboration of sector institutions Capacities of forest planners and management to apply guidelines Willingness of the government to mainstream recommendation into sector policy and plans</p>	<p>Project coordinator</p>

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
	<i>Indicator CCM-10: Quality of MRV Systems</i>	Rating - 2: Very rudimentary MRV available only taking into account forest area with assigned C-values, but not dynamics included, not covering the whole forest area and not up to international standards		Rating - 8: Strong standardized measurements processes established and implemented through NFI; reporting is widely available in multiple formats through IFIS; verification of information through IFIS	Strategy document IFIS reports	NFI and IFIS are functional Institutions collaborate with data	Project coordinator
	<i>Indicator BD-4: Mainstreaming biodiversity into policy and regulatory frameworks</i>	Step 3 - Forestry: Regulations are in place to implement the legislation: Forest Law and FDS include biodiversity considerations, FMPs only exist for part of the FMUs		Step 4 - Forestry: The regulations are under implementation in pilot areas because of clear guidelines and improved capacities of forest managers	Yearly operational plans of Forest Management Units Forest Development Plan documents	Capacities and willingness of forest planners and management to apply guidelines Willingness of the government to mainstream recommendations into sector policy and plans	Project coordinator
Output 1.1.1: Methodology for forest and biodiversity information collection and management harmonized with global	Methodology and guidelines for biodiversity information collection in NFI available, following international standards	0	One (1) Methodology and guideline available following international standards	One (1) Methodology and guidelines available following international standards	Methodology and guidelines documents		Project coordinator

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
and regional standards and reporting requirements	Methodology and guidelines for biodiversity assessment and management for forest planning at regional and management unit level, following international standards	0	Two (2) methodology and guideline documents for biodiversity assessment management for forest planning (1 for FDP and 1 for FMP)	Two (2) methodology and guideline documents for biodiversity assessment management for forest planning (1 for FDP and 1 for FMP)	Methodology and guideline documents		Project coordinator
Output 1.1.2: Integrated Forest Information System (IFIS) including biodiversity, carbon and socio-economic information	Integrated Forest information System including web-based user interface operational and regularly used	0	IFIS is operational	IFIS operational and including comprehensive forestry information, regularly accessed	IFIS reports Visitor statistics of web portal	Institutions collaborate with sharing information By-law on information sharing adopted Support by the government for FIS operation	Forest information specialist
Output 1.1.3: National forest inventory conducted including assessment and collection of information relevant to biodiversity conservation and climate change mitigation	Forest area inventoried, including identification of priority areas for biodiversity conservation according to the updated methodology	0 % of area inventoried	75 % ha of forest area inventoried	100 % of forest area inventoried	NFI records	Collaboration of the relevant sector institutions Availability of qualified personnel for surveying and data analysis	NFI coordinator

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
Output 1.1.4: Existing carbon monitoring, reporting and verification (MRV) systems, reviewed and adapted to Serbian context	MRV system based on international standards designed and validated		One (1) MRV system designed and validated by 20 specialists from forestry and environmental sector	One (1) MRV system designed and validated by 20 specialists from forestry and environmental sector	MRV system design document Validation workshop reports	Collaboration of the relevant sector institutions	Project coordinator
Output 1.1.5: Forest development programme and legislation revised to incorporate biodiversity climate change mitigation and socio-economic concerns	Recommendations for to mainstream biodiversity and climate change mitigation concerns in forest development planning and legislation		One (1) Recommendation document available	One (1) Recommendation document available	Recommendation document	Collaboration of the relevant sector institutions	Project coordinator
Output 1.1.6: National standards for best management practices in different forest types	Guideline documents for sustainable silvicultural practices in different forest types, integrating climate-smart forestry and biodiversity conservation based on EU	No management guidelines	15 SFM guidelines available and disseminated	15 SFM guidelines available and disseminated	Guideline documents		Project coordinator

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
	habitats directive						
Output 1.1.7: National level multisectoral coordination platform for multifunctional sustainable forest management established	High-level roundtable consultation on sustainable forest management with participation of at least 30 participants from public, academic, civil society and private sectors Thematic multi-actor working groups established and at least 2 meetings conducted per year		Two (2) high-level roundtable consultations	Four (4) high-level roundtable consultations	Minutes of meeting; roundtable declarations	Willingness of public, academic, civil society and private sectors to engage in the process	Project coordinator
Outcome 1.2 Institutional capacities strengthened for multi-functional forest management	<i>Public, private, academic and civil society institutions with increased capacities in SFM</i>	TBD at inception	Three (3) thematic multi-actor working groups established and four (4) meetings held	Four (4) thematic multi-actor working groups established and 14 meetings held	Minutes of meeting working group resolutions	Willingness of public, academic, civil society and private sectors to engage in the process	Project coordinator
Output 1.2.1: Training programme for forest managers, users and	Forest managers in state forest enterprises and private forest associations trained in the		10 institutions with a higher ranking than baseline (TBD at inception)	15 institutions with a higher ranking than baseline (TBD at inception)	Survey results	Willingness of public, academic, civil society and private sectors to engage in the process	Project coordinator
			80 forest managers trained (3 day training programme)	120 forest managers trained (3 day training programme)	Training records	Willingness of public, academic, civil society and private sectors to engage in the	Project coordinator

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
administrators in updated SFM techniques and BD management in productive landscapes established and implemented, including a training of trainers.	application of SFM techniques and BD management in productive landscapes					process	
	Trainers in SFM and biodiversity management for national capacity building activities	0		20 Trainers successfully completed training programme (2x5 day training programme)	Training records	Willingness of public, academic, civil society and private sectors to engage in the process	Project coordinator
Component 2: Multifunctional forest management							
Outcome 2.1 Increased forest area under sustainable and multi-functional forest management	Indicator CCM-1: Total Lifetime Direct and Indirect GHG Emissions Avoided (Tons CO2eq)	0 tCO2eq direct emissions avoided		1,784,288 tCO2eq direct emissions avoided	Records from yearly operational plans of forest management units	Engagement of public and private forest owners Absence of extreme drought or forest fires in the intervention areas	Project coordinator
	Indicator SFM-3: Area of sustainably managed forest, stratified by forest management actors (ha)	State Forests (PE Srbiyasume/Voivodinasume/National Parks Tara and Fruska Gora): TBD Church Forests: TBD Private Forests: 0 ha Total: TBD		State Forests (PE Srbiyasume/Voivodinasume/National Parks Tara and Fruska Gora): TBD Church Forests: TBD Private Forests: TBD Total: 20,000 ha in addition to baseline	Records from yearly operational plans of forest management units	Engagement of public and private forest owners Absence of extreme drought or forest fires in the intervention areas	Project coordinator

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
	<i>Indicator BD-1: Area under which the project will directly and indirectly contribute to biodiversity conservation (Ha.)</i>	Direct coverage: 0 ha Indirect coverage: 0 ha		<i>Direct coverage: 20,000 ha Indirect coverage: 476,010 ha</i>	Records from yearly operational plans of forest management units	Engagement of public and private forest owners Absence of extreme drought or forest fires in the intervention areas	Project coordinator
Output 2.1.1: Biodiversity status and impact of land use on biodiversity assessed in the project areas	Status for forest biodiversity, impacts and threats in the Obeska Bara and Tara protected areas assessed Nature value assessment and biotope mapping in 4-8 forest management units covering 20,000 ha of public and private forest lands including Obeska Bara and Tara protected areas	0 ha	44,658 ha assessed	44,658 ha assessed	Reports and maps		Forest biodiversity specialist
Output 2.1.2: Integrated and improved forest development plans prepared for at least 2 forest regions	Forest development plans of Western Serbia and Voivodina developed and monitored based on the new FDP procedures	0 FDPs	Two (2) FDPs covering 475,000 ha	20,000 ha assessed Two (2) FDPs covering 475,000 ha	Reports and maps Forest Development Planning documents	Engagement of forest administration Absence of extreme drought or forest fires in the intervention areas	Forest biodiversity specialist Regional Coordinators

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
Output 2.1.3: Forest management plans implemented	Pilot forest management units in Western Serbia and Voivodina regions covering at least 20,000 ha with updated and monitored management and operational plans based on the new FMP procedures			4-8 FMUs / 20,000 ha	Records from yearly operational plans of forest management units	Engagement of public and private forest owners Absence of extreme drought or forest fires in the intervention areas	Regional Coordinators
	Demonstration plots for typical management measures in common forest types	0 plots	12 plots	16 plots	Implementation reports	Engagement of public and private forest owners Absence of extreme drought or forest fires in the intervention areas	Regional Coordinators
Output 2.1.4: Strategic and policy options to ensure commitment of private forest owners and users to sustainable forest management developed and validated	Concept for a comprehensive forest extension service for private forest owners and users Action plan and recommendations to mainstream incentives for SFM for private forest owners into forest policy developed and validated	0	1 concept document validated	1 concept document validated	Document		Extension Coordinator
		0	One (1) action plan validated by 45 key actors in public, private and academic sector	One (1) action plan validated by 45 key actors in public, private and academic sector	Action Plan	Willingness and capacity of the government to mainstream recommendations into sector policy and plans	Project coordinator
Component 3: 3. Monitoring, Evaluation and dissemination of lessons learned							

Results chain	Indicators	Baseline	Mid-term target	Final target	Means of verification	Assumptions	Responsible for data collection
Outcome 3.1: Adaptive management ensured and key lessons shared	M&E system ensuring timely delivery of project benefits and adaptive results-based management		Up-to-date monitoring and reporting on outcomes, outputs and activities	Up-to-date monitoring and reporting on outcomes, outputs and activities	Progress and evaluation reports		Project coordinator
Output 3.1.1: Monitoring system providing systematic information on progress in reaching expected outcomes and targets	Monitoring and evaluation system operational		Inception Report and six-monthly progress reports	Six-monthly project reports and terminal reports	Report documents		Project coordinator
Output 3.1.2: Mid-term and final evaluation conducted	Mid-term and final evaluation conducted		Mid-term evaluation conducted	Final evaluation conducted	Mission reports		External Evaluator
Output 3.1.3: Project achievement and results recorded and disseminated	Appearances in local and national media		10 media appearances (articles, interviews, features)	20 media appearances (articles, interviews, features)	Documentation		Communication expert
	Project website and presence in social media		One (1) Project website and active social media accounts	One (1) Project website and active social media accounts	Website and social media usage statistics		Communication expert
	Publications on lessons learned			One (1) publication on lessons learned	Document		Communication expert
	Presentation at international SFM events			One (1) presentation in international SFM forum	Presentation, proceedings		Project coordinator

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

STAP Comments	Response
<p>1. On p. 6, the paragraph on agriculture and energy sector should be revised and strengthened to provide clearer understanding. While bioenergy opportunities are mentioned, using the forest biomass to displace fossil fuels, it also states: "The available forest resources exceeds the potential demand." "Reforestation and restoration needs to be promoted in order to ensure locally sufficient supply for energy needs, for wood-based industries and the bio-economy in general." These statements seem to contradict each other, so the position is not clear. However, it seems biomass could have good potential to displace gas/coal for heating and maybe power generation or combined heat and power. Yet these options are not included in the carbon assessment.</p>	<p>The paragraph on agriculture and energy has been edited. Currently the demand for fuelwood exceeds the potential supply from available forest resources. A GIZ study on firewood use in Southern and Southwestern Serbia conducted in 2014 found that more than 80 % of the households use firewood for energy needs, even in those municipalities which have a district heating system¹⁴. It can be assumed that the situation is no different in the pilot areas of the GEF project. Fuelwood is by far the cheapest energy source in rural areas. The predominance of fuelwood use in rural areas underlines the importance of reforestation and sustainable forest management practices. For example, collection of deadwood for fuelwood may impact forest biodiversity. The GIZ study found that simple good practices such as acquiring firewood six months before the heating season can reduce firewood use by about 20 %.</p> <p>Energy substitution has not been considered in the carbon assessment, since it is not part of the project activities. Good practices to increase energy efficiency such as timely acquisition of fuelwood (see above) will be promoted among private forest owners under the project. However, due to the lack of baseline data in the pilot areas and the uncertainty of adoption, they have not been included in the carbon assessment. Fuelwood use will be assessed in the pilot FMUs, and possible improvements in efficiency as well as corresponding CO2 emissions reductions be reported in the mid-term and final evaluations o the project.</p>
<p>2. The GIZ co-financing looks at improved biomass supply and utilisation in households, but it is not clear if currently the firewood combustion is in open fires or more efficient enclosed stoves, including pellet stoves, that can be > 80% efficient¹⁵</p>	<p>The GIZ project mentioned in the PIF ends in 2017 and thus cannot be considered-financing for the present project. The efficiency of firewood combustion in Serbia is low. The baseline study conducted by GIZ in 2014¹⁶ found that efficiency of firewood cookers ranged between 20 and 40 %, with an average of 32 %. This is low compared to the Serbian standard which defines a minimum efficiency of 60 %. Pellets have only been introduced on the market in 2010, and their use is still incipient. Improvement of biomass utilization in rural households is thus an important area for managing demand for biomass from forests.</p>
<p>3. Serbia's INDC gave little indication of how it would meet the 9.8% reduction below 1990 levels by 2030¹⁷, but the PIF shows there is potential from reforestation and use of bioenergy.</p>	<p>The project will close a critical gap to provide information on forest carbon stocks and the impact of forest management practices on carbon balances, through the systematic collection and analysis of forest carbon data (see comment 6 below). Thus, Serbia will be able to quantify the contribution of the forest sector to the mitigation targets, as well as assess the impact of policies and plans on sustainable forest management.</p>

¹⁴ http://www.bioenergy-serbia.rs/images/documents/studies/Baseline_Study_Efficient_Firewood_Utilization_2014.pdf

¹⁵ see for example <http://www.mfe.govt.nz/air/home-heating-and-authorised-wood-burners/burners>

¹⁶ http://www.bioenergy-serbia.rs/images/documents/studies/Baseline_Study_Efficient_Firewood_Utilization_2014.pdf

¹⁷ http://www4.unfccc.int/submissions/INDC/Published%20Documents/Serbia/1/Republic_of_Serbia.pdf

<p>4a. In the carbon accounting (page 10) soil carbon is not included, nor the use of biomass for energy to displace fossil fuels. The 65t C/ha stored in Serbian forests is when mature, but there is no indication of the time for the 4000 ha of forest to reach maturity after "restoration". Hence the annual mitigation potential is not known. By UNFCCC definition, Kyoto forests are post-1989 planted into non-forested land. Is this the case here? What is the land cover of the 4000 ha now?</p>	<p>The GHG calculation has been thoroughly revised during project preparation based on the FAO Ex-ACT method. Below-ground carbon sequestration been included – see Annex 10 of the project document.</p> <p>Due to the high uncertainty of forest carbon data in the country (which will be directly addressed by the project, see comment 6), a conservative estimate of carbon benefits has been carried out based only on the planned conversion of short-rotation coppice stands to high forests in the project intervention areas.</p> <p>Indirect GHG emissions in terms of energy substitution in the forest stands under the new management schemes have not been considered in the calculation. There is no net effect, as it does not change compared to normal short-rotation coppicing.</p> <p>The carbon sequestration calculation will be revised at mid-term and at the end of the project, based on better information from the NFI (output 1.1.2) and FMU level (2.1.1) which will be available at that time, which will greatly improve the level of detail.</p>
<p>4b. How will the mature forests be retained in perpetuity? If they are to be harvested and replanted, the C stock will need to be averaged over several harvesting cycles. In simple terms, the C stock on pasture, crop or scrubland starts at around zero and reaches around 65 t C/ha on maturity after a certain time period (e.g. 50 or 100 years). If the biomass is then harvested, the carbon stock drops back to close to zero and if replanted returns slowly to 65tC/ha again as the trees re-grow.</p>	<p>The coppice forests which will be converted during the lifetime of the project have been managed under a typical short-rotation cycle of 25 years. That means the stands are at the most 25 years old and will grow for at least 25 more years under the new management practices until they reach maturity and can be harvested. Thus, over the 20 year horizon considered by GEF, there will be no harvesting on the areas included in the calculation.</p> <p>Afforestation an restauration of low-quality high forests will also be carried out the project lifetime in limited parts of the project area. While these activities have a direct GHG effect, they have not been considered in the GHG calculation due to high uncertainty of the carbon sequestered of these very young stands.</p>
<p>5. If wood products are used as materials, some of the C is locked up in buildings for some years. This seems to have been ignored.</p>	<p>Indirect GHG emissions in terms of material substitution in the forest stands under the new management schemes have not been considered in the calculation. In the transformation phase of coppice to high forest, almost no additional long-living products leading to enhanced material substitution come from the former coppice stands as the diameters of the trees harvested in these thinning operations are rather low.</p>
<p>6. Lack of capacity in forest carbon management and inadequate inventory data (as outlined in Serbia's 1st National Communication to the UNFCCC) (page 12) are the knowledge gaps to be addressed, but exactly how this will be achieved is not stated.</p>	<p>The knowledge gaps regarding information on the carbon stock will be addressed through the implementation of the NFI (output 1.1.2), the forest information system (output 1.1.3) and the development of an MRV system for the forest sector (1.1.4), as well as through the improved methodology for data collection and implementation of forest development and management plans (1.1.1, 2.1.2 and 2.1.3).</p> <p>The NFI methodology will include determination of carbon stocks</p>

	<p>in above-ground biomass, below ground biomass, dead wood, litter, and soil, providing accurate default values. This information will be available in the forest information system, enabling users to calculate carbon balances in stands, increments, and dead wood. Data from the forest management unit level will also be integrated into the information system, enabling determination of carbon sequestration at management unit, as well as aggregate information at forest region and national levels. Protocols for collection of this data will be developed as part of output 1.1.1 and field tested as part of the field activities (output 2.1.2 and 2.1.3). Finally, methodological shortcomings of current GHG calculations in the forest sector such as introduction of dynamic growth rates will be addressed in the development of the MRV (output 1.1.5)</p>
<p>7. On p. 5 it is stated that all forest regeneration is natural, yet on p.6 lack of natural regeneration is listed as a key issue for Serbian forests.</p>	<p>The statement on page 6 has been clarified. As experts confirmed during the preparation phase, natural regeneration is taking place in many private forests and on abandoned agricultural land. Due to a lack of a forest monitoring programme, numbers are lacking, but should be confirmed by the project through implementation of the forest inventory. The project will build capacity to properly manage these regenerated areas through its training and extension activities at regional and local level (outputs 1.2.1, 2.1.2 and 2.1.3)</p>
<p>Council Comments</p>	<p>Response</p>
<p>(Germany) In spite of carrying “resilience” in the project title, the proposed concepts and interventions are focused exclusively on mitigation when it comes to climate change. Given the high vulnerability of forests in Serbia to the consequences of climate change due to the generally bad condition of forests, dry summers and the high risk of forest fires, we strongly recommend to include adaptation to climate change into the promoted SFM concepts and into the proposed activities related to inventories, monitoring, knowledge management, stakeholder coordination and capacity building.</p>	<p>The project addresses resilience in several ways. Through the forest information system, (output 1.1.2) and the National Forest Inventory (output 1.1.3) information on climate related impacts on forest ecosystems, such as forest fires, or the emergence of pests and diseases, will be monitored and remedial actions can be taken to reduce the impacts on local livelihoods. Adaptation measures to climate change will form part of the curriculum of the comprehensive training programme rolled out by the project (output 1.2.1).</p> <p>At the regional and local level, reduction of climate-related risks will form part of the capacity-building activities for forest managers. Adaptation measures to reduce vulnerability to climate-related risks will thus be mainstreamed into the 10 year forest development and forest management plans.</p>
<p>(Germany) The PIF is focussed on forest ecosystems within the forest boundaries without taking into account its relationships to the wider landscape (agriculture uses, watersheds, buffer zones, biomass energy production etc.). Particularly, the proposed activities targeting enhanced multi-sectoral coordination would strongly benefit from a landscape approach and we therefore recommend including it in the strategic framework of the project.</p>	<p>The proposed project will strengthen a landscape approach to forest management: 1) through the information system and the NFI, information on important landscape features such as water sources, land use (forestry, agriculture, pasture) and ecosystem integrity will be assessed. This information will be available to feed into multi-sectoral planning processes, for example for biodiversity conservation, or water resources management.</p> <p>At the regional level, the newly defined forest regions provide an opportunity to integrate the landscape perspective into the forestry planning process. The project will support this process through the development of forest development plans in two pilot regions,</p>

	<p>actively promoting the landscape approach.</p> <p>Finally, at national level, the multisectoral coordination platform supported by the project will provide a forum where issues regarding integration of sectors at landscape level can effectively be addressed by key stakeholders.</p>
<p>(USA) The project cost for the 1st component (\$17 million) may be too high, since the 2nd national inventory is building off of the first inventory with the addition of incorporating biodiversity and carbon stock evaluation based on existing carbon MRV systems, and directing national policy changes and coordination.</p>	<p>The GEF-financing of the first component of the project amounts to 2 million USD. It covers not only the realization of the second national forest inventory, but also the design and implementation of a comprehensive forest information system, design of a sectoral MRV system, the development of national guidelines for sustainable forest management, and the establishment of a multisectoral coordination platform on forests. These investments require considerable co-financing.</p> <p>The new methodology of the national forest inventory, including a two-step process of photointerpretation and field surveys, requires that the inventory will be carried out from scratch.</p>
<p>(USA) Carbon measurement for bioenergy and forest products should be, with explanation provided on how deforestation abatement and reforestation efforts will coincide with bioenergy plans. Given that one of three barriers to management is deforestation in the form of illegal timber extraction, forest clearing due to agricultural pressures and fires, a better strategy might be to focus first on promoting forest health, a regenerative rate of growth, and higher value wood products, that can promote the forest value, and later incorporate energy markets in sustainable management. policy changes and coordination.</p>	<p>The promotion of forest health and regenerative rate of growth (through implementation of sustainable forest management practices such as conversion of short-rotation coppice stands into high forests, as well as development and promotion of sustainable forest management guidelines for the national level) are at the core of what the project will achieve.</p> <p>Also, the project will facilitate the generation of improved information on forest carbon balances through the forest information system and forest inventory. At the moment, information on forest carbon and the impact of management options and use of forest products on forest carbon balances does not exist.</p> <p>Combined, these results will form a sound basis for informed decision making and strategy development for a better alignment of bioenergy and forest policy, and the integration of forestry sector into bioenergy plans.</p>
<p>(USA) Essential to the project success will be the increase of forest area under sustainable and multi-functional forest management and guideline establishment.</p>	<p>The project is aligned with the two-level forest development and management structure proposed by a recent amendment of the forest law. As such, the project will contribute to the development and implementation of forest development plans of to regions, covering over 457,000 ha of forest area. At the forest management unit level, the project will cover 4-8 Forest Management Units covering 20,000 ha, including both public and private forests. Through the project, 15 guideline documents for options on sustainable management of the major forest types at national level will be developed.</p> <p>The strict alignment with the national policy framework and institutional structure as well as the cost-effectiveness facilitates the replicability of the project activities at field level.</p>

<p>(USA) A greater share of resources should be placed on monitoring the success of plan.</p>	<p>The project's monitoring and evaluation system will be designed and implemented in accordance with FAO and GEF standards. The resources for the M&E component have been increased and cover the establishment of the system and regular monitoring. This includes the monitoring of the implementation of the forest management plans at the local level, and the forest development plans at regional level.</p> <p>In addition, substantial resources will be invested in the development of an information system and national forest inventory under component 1. The information system will provide a platform which will allow continuous monitoring of forest management plans.</p>
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ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS¹⁸

A. Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF:			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF/CBIT Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Design of Component 1	26,170	37,772	
Design of Component 2	34,540	34,958	
Design of Component 3	11,063	9,271	
Stakeholders consultation	47,370	12,342	24,266
Preparation of project document	30,857	17,659	13,732
	150,000	112,002	37,998

¹⁸ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.
GEF6 CEO Endorsement /Approval Template-August2016

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/CBIT Trust Funds or to your Agency (and/or revolving fund that will be set up)

Not applicable

