

## UNDP Project Document

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### **ENABLING ACTIVITIES FOR THE PREPARATION OF SERBIA AND MONTENEGRO'S INITIAL NATIONAL COMMUNICATION TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE-UNFCCC**

#### Brief description

Enabling activities proposed by this project are related to the preparation of Initial National Communication of the State Union Serbia and Montenegro<sup>1</sup> to the United Nations Framework Convention on Climate Change - UNFCCC. It includes measures such as planning and capacity building, institutional strengthening, training, public participation and targeted research in support to implementation of the UNFCCC principles and objectives.

The project enables State Union Serbia and Montenegro and the two constituent member states to present required Initial National Communication information in a consistent, transparent and comparable manner taking into account specific national circumstances. The proposed project is consistent with the "Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention" (COP Decision 17/CP.8), GEF Operational Programme on "Enabling Activity (EA)" which pertains to the GEF Focal Area on "Climate Change", as well as with national environmental priorities in both, Republic of Serbia and Republic of Montenegro. Data gaps will be covered and reliability improved. The main components of the project are: description of national circumstances; national inventory of anthropogenic GHG emissions by sources and removals by sinks; assessment of vulnerability and planning of adaptation; climate change mitigation by addressing emissions and removals; capacity building to assess financial and technology needs, modalities to absorb them and host projects; compilation and production of the Initial National Communication, including Executive Summary.

Therefore, the project objectives are to generate, analyze and communicate information relevant for the preparation and submission of Serbia and Montenegro's Initial National Communication that includes (a) compilation of the national greenhouse gas inventory; (b) an update of analysis of potential measures to abate the increase in greenhouse gas emissions; (c) a vulnerability assessment and analysis of adaptation options; (d) preparation of the Second National Communication of Serbia and Montenegro and submission to the CoP.

Apart from the preparation of national communication, the project is expected to strengthen information exchange, dialogue and co-operation among relevant stakeholders, including governmental, NGO, academic and private sectors, and to contribute to fulfilling other commitments to the UNFCCC.

<sup>1</sup> The State Union comprises two member states: the Republic of Serbia and the Republic of Montenegro. Throughout this Project proposal the terms republic(s) and republican refer to the Republic of Serbia and the Republic of Montenegro as member states of the State Union of Serbia and Montenegro.

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## Acronyms

<b>AD</b>	– Activity Data
<b>CARDS</b>	– EU Programme for Assistance, Reconstruction, Development and Stabilization (the main channel for the European Union's financial and technical assistance cooperation with the countries of Southeastern Europe including Serbia and Montenegro)
<b>CDM</b>	– Clean Development Mechanism
<b>COP</b>	– Conference of the Parties to the UNFCCC
<b>ENPEP</b>	– Energy and Power Evaluation Program
<b>EU</b>	– European Union
<b>GEF</b>	– Global Environment Facility
<b>GHG</b>	– Greenhouse Gases
<b>HMSM</b>	– Hydrometeorological Service of Montenegro
<b>INC</b>	– Initial National Communication
<b>IPCC</b>	– Intergovernmental Panel on Climate Change
<b>TAR</b>	- Third Assessment Report
<b>LEAP</b>	– Long-range Energy Alternatives planning system
<b>MAP</b>	– Mediterranean Action Plan
<b>MCSD</b>	- Mediterranean Commission on Sustainable Development
<b>MDGs</b>	– Millennium Development Goals
<b>MSEP</b>	– Ministry of Science and Environmental Protection (Serbia)
<b>MEPPP</b>	– Ministry of Environmental Protection and Physical Planning (Montenegro)
<b>NEAP</b>	– National Environmental Action Plan
<b>NGO</b>	– Non-Governmental Organization
<b>NFP</b>	– National Focal Point
<b>NPM</b>	– National Project Manager
<b>PRSP</b>	– Poverty Reduction Strategy Paper
<b>PSC</b>	– Project Steering Committee
<b>QA/QC</b>	– Quality Assurance/Quality Control
<b>RCM</b>	– Regional Climate Model
<b>R/D</b>	– Research and Development
<b>RHMS</b>	– Republic Hydrometeorological Service of Serbia
<b>SEE</b>	- Southern and Eastern Europe
<b>S&amp;M</b>	– State Union Serbia and Montenegro
<b>OECD</b>	– Organization for Economic Co-operation and Development
<b>UNDP</b>	– United Nations Development Program ( <b>CO</b> : Country Office)
<b>UNECE</b>	– United Nations Economic Commission for Europe
<b>UNEP</b>	– United Nations Environment Programme
<b>UNFCCC</b>	– United Nations Framework Convention on Climate Change
<b>WMO</b>	– World Meteorological Organization

## **SECTION 1: Elaboration of the Narrative**

### **1.1. Situation Analysis**

The State Union Serbia & Montenegro (S&M) has a population of 8,118,146 inhabitants (without Kosovo and Metohija). The number of inhabitants of Serbia (without Kosovo and Metohija) is 7,498,001. Montenegro has a population of 620,145 inhabitants.

Serbia & Montenegro is located on the Balkan Peninsula in the South-eastern Europe, bordering with the Adriatic Sea in part of Republic of Montenegro. It shares borders with Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, the Former Yugoslav Republic of Macedonia and Romania. S&M's terrain ranges from rich, fertile plains of the northern Vojvodina region, limestone ranges and basins in the east, ancient mountains and hills in the central and southeast, to the southwest, extremely high shoreline with no islands off the coast. Elevation extremes range between the lowest point on Adriatic Sea (0 m) and the highest mountain point Daravica (2,656 m).

The climate of Serbia and Montenegro varies from temperate continental climate in the northern Pannonian lowlands along the river Sava and Danube and in the foothill zone inland of the country, to alpine climate in the high mountain regions and Mediterranean climate in the coastal and lowest regions of the southwest.

Over the Serbia's lowlands in the northern part, monthly mean air temperature in January (coldest month of the year) ranges between 0.5 to -2 degrees Celsius, and to 20-22 degrees Celsius in July (hottest month of the year). In Montenegro, at the Adriatic coast and lowest regions along the Moraca and Zeta rivers, monthly mean air temperature ranges from 3 to 9 degrees Celsius in January, to 22-27 degrees Celsius in July. In the highlands of Serbia and Montenegro with altitudes of above 1000m, the average temperature ranges from -3 to -6 degrees Celsius in January, to 12 to 15 degrees Celsius in July. The absolute air temperature extremes of -38.0 degrees Celsius (Sjenica, Serbia, 1954) and 44.3 degrees Celsius (Kraljevo, Serbia, 1939) have been recorded in continental part of country during the period 1887-2000.

Mean annual precipitation in Serbia and Montenegro ranges between 540mm in North and 4800mm over the Dinaric Mountains close to Adriatic Sea in southwest. Namely, the lowland area of northern and eastern Serbia (Vojvodina Province and Timocka Krajina) has the lowest mean annual precipitation, which ranges between 540mm and 820mm. In the mountainous regions of Serbia and in whole Montenegro, annual precipitation is above 1000mm. Due to complex impact of the sea and topography, mean annual precipitation rapidly increases from Adriatic coast to Dinaric massive in Montenegro and reaches European peak values of up to 4800mm in Krivošija area (Crkvice).

In the continental part of S&M belonging to the Danube River catchments, a major part of annual precipitation is delivered in the warmer half of the year, reaching its maximum in June. The territory of Montenegro with Dinaric mountains and narrow coastal regions is characterized by a maritime pluviometric regime. Under the influence of the Adriatic Sea, the monthly amounts of precipitation are highest in late autumn and early winter, particularly in November and December.

Serbia and Montenegro, due to its specific topographic conditions, is historically subject to recurrent severe drought and floods, especially affecting the lower part of Sava and Danube river catchments, in northern, central and southeastern part of the Country.

Climatic changes that are now affecting in unpredictable form most of the regions in the world, including Central European and Balkan regions, made these phenomena even more intense and disruptive. Economic damages produced by either recurrent floods during 2001, 2002, 2004 or unusual drought conditions during 1990, 1992, 1993, 1995, 2000, 2002 and 2003, as well as other climate extremes, added

up at country level to several hundreds of M. Euros every year, not taking into account injuries to civil population and human casualties. Therefore, there have been repeated calls at the highest levels of Governments of Republic of Serbia and Republic of Montenegro, under MDG's national priorities to address natural disasters that hamper sustainable development and accentuate poverty among the most vulnerable groups and sectors of society. According to the World Bank Briefing Report published in 2003, poverty remains widespread in both republics of Serbia and Montenegro. Although 10 percent of the population falls below the poverty line (10.6 percent in Serbia and 9.4 percent in Montenegro), one third of the country's people are precariously above the line, and remain in danger of slipping into absolute poverty should any adverse economic developments occur.

Out of total land area of Serbia and Montenegro (total area: 102,350 sq km; water: 214 sq km; land: 102,136 sq km ) about 5.6 million ha (2001) is suitable for agriculture, out of which only 570 sq km is irrigated. Forests cover approximately 30 percent of the Serbia and Montenegro's territory.

S&M hosts a large variety of ecosystems ranging from Mediterranean-Sub-Mediterranean evergreen forests, various deciduous forests, and coniferous woods typical of the Euro-Siberian and North American regions, to freshwater bodies and marine ecosystems on the Adriatic. This makes S&M one of the European centers of biological diversity. It is home to 39% of Europe's vascular plant species, 51% of its fish fauna, 74% of its bird fauna, and 68% of its mammalian fauna. Around 1,600 wild plant and animal species considered internationally significant inhabit the S&M.

The complexity of Serbia and Montenegro political and economic relationships, scarcity of foreign-investment and a substantial foreign trade deficit are holding back the national economy yet. Per capita income in 2004 was estimated \$2,620. Very high unemployment and large share of population living below or close to poverty line remains a key political economic problem for this entire region.

However, after a delayed transition, Serbia and Montenegro is progressing steadily towards a market economy by focusing on stabilizing the economy, carrying out urgent reconstruction, implementing "first generation" reforms, and laying the foundations for "second generation" reforms. Macroeconomic stability, achieved swiftly two years ago.

As in other transition economies in Eastern Europe, the second stage which focuses on ensuring long-term economic stability, sustainable growth, and employment creation, has proven to be more challenging. To support the efforts in becoming a modern, democratic and European state, which plays a pivotal role in regional stability, a large number of projects have been launched in S&M with the financial assistance of the European Community, United Nations Development Assistance Framework and the World Bank. In addition, negotiations with the European Union have been launched on 10<sup>th</sup> October 2005 for a Stabilization and Association Agreement (SAA) with Serbia and Montenegro. This agreement will deepen S&M economic and political relations with EU, based on the principles of sustainable development with a commitment, to a cleaner and greener environment among other.

In this context, the past few years have witnessed the introduction of landmark environmental actions and measures in S&M that have targeted natural resources protection, conservation of rivers, improvement of urban air quality, enhanced forestation and significant increase in energy efficiency and installed capacity of renewable energy technologies.

Serbia and Montenegro is a Party to the following international agreements:

- a) United Nations Framework Convention on Climate Change,
- b) Convention on Long-range Trans-boundary Air Pollution and Protocol to the Convention Financing of the Co-operative Programme for Monitoring and Evaluation on the Long-range

- Transmission of Air Pollutants in Europe (EMEP Protocol),
- c) Vienna Convention for the Protection of the Ozone Layer and Montreal Protocol on Substances that Deplete the Ozone layer,
- d) Convention for the Protection of the Mediterranean Sea against Pollution,
- e) UN Convention on Biological Diversity,
- f) Convention on Cooperation for the Protection and Sustainable Use of the Danube River (Danube Convention), etc.

Additionally, in S&M, a few international treaties are in the process of ratification and the most important are: Kyoto Protocol, UN Convention on Desertification, and Stockholm Convention on Persistent Organic Pollutants (POPs).

Nowadays, in the framework of the common negotiations process for a EU Stabilization and Association Agreement (SAA), both republics accepted European and international legislation and standards as a baseline, in the development of national environmental legislation, medium and long-term environmental strategies and actions. In this context, at the present time, the main activities are targeted at the implementation of new Environmental protection legislation (Law on Environmental Protection, Law on Integrated Pollution Prevention and Control, Law on Strategic Environmental Impact Assessment etc.).

The democratic and legislative processes have affirmed such activities and measures and realigned economic development to a more climate friendly and sustainable path in line with Serbia and Montenegro's commitment to global environment protection.

The State Union Serbia and Montenegro (S&M) became a Party to the UNFCCC as a successor of the Federal Republic of Yugoslavia (FRY)<sup>2</sup>, which had ratified the UNFCCC back in 1997 (Official Journal of FRY – International treaties, No 2 /97). Following the FRY admission to the UN in November 2000, the official date of UNFCCC ratification is March 12, 2001.

After the Convention was ratified and has come into force on June 10, 2001, serious efforts have been made to set appropriate policy, institutional and legal framework to meet Convention commitments. However, these efforts have not resulted in substantial improvements, so S&M is late in fulfilling its commitments under the Convention, including the preparation of the Initial National Communication (INC). This is mainly due to complex political, economic and social conditions that have ensued from the period of 1990's and the beginning of 2000's including breakdown of former country and a series of Balkan wars, international isolation, deep economic crisis, and more recent challenges linked to reforming the joint state and implementing transition to a market economy reforms. In addition, a considerable number of refugees exacerbated the situation and hardened the process of economic recovery, especially in Serbia.

According to the Constitutional Charter of the State Union Serbia and Montenegro, environmental protection, including climate change issues, is a competence of the two member states – Republic of Serbia and Republic of Montenegro. The State Union Serbia and Montenegro is recognised as a single entity in the international law; as such, it is a party to UNFCCC and other international conventions. Relevant Ministries are tasked with implementation of the Conventions at the level of member states. Coordination of member states activities and co-operation towards the implementation of international conventions is, among other issues, regulated under the 2003 Agreement on further Operationalisation of Cooperation between the Relevant Ministries of Republic of Serbia and Republic of Montenegro in the Area of Environmental Protection. Inline with the provisions of this Agreement, Ministry of Science and

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<sup>2</sup> FRY ceased to exist in 2003, following the adoption of the Constitutional Charter of the new State Union of Serbia and Montenegro.

Environmental Protection of Republic of Serbia (MSEP) was appointed as S&M National Focal Point (NFP) to UNFCCC. As a governmental body, the NFP is facilitating S&M climate change activities and has a co-ordinating role. At the present time, on the institutional side, Ministry of Science and Environmental Protection of Serbia, Ministry of Environmental Protection and Physical Planning of Republic of Montenegro (MEPPP)<sup>3</sup>, and Hydrometeorological Services of the Republic of Serbia and the Republic of Montenegro are the lead institutions responsible for co-ordination of climate change activities at the level of S&M and constituent member states, and at the international level.

As a non-Annex I Party to the UNFCCC, S&M has participated in the work of Conference of the Parties (COP) and has carefully analyzed its obligations under the Convention, including the commitment to prepare its initial national communication. While retaining a strong commitment to implement the UNFCCC, the country is facing a number of significant constraints including unfavorable economic situation and other consequences of the negative trends experienced during the past decade. Capacities to implement the Convention are insufficient, especially in the areas of: i) preparation of greenhouse gases (GHG) emissions inventories and systematic reporting; ii) planning and implementation of measures to facilitate adequate adaptation to climate change; and iii) planning and implementation of measures to mitigate climate change. Financial, technical and capacity gaps and constraints are also identified for other specific areas pertinent to the Convention implementation, including available technology, research and systematic monitoring, public awareness, education and training, information sharing and networking.

The basic infrastructure systems, including meteorological and hydrological observation and telecommunication system, as the integral part of WMO/World Weather Watch and Global Climate Observing System, need to be upgraded and new contemporary technology needs to be introduced. In addition, climate change consideration are yet poorly integrated in sectoral and development policies; capacities for planning and policy development, vulnerability assessment and development of mitigation and adaptation measures are weak, awareness of decision/makers on climate change is low. The situation is further worsened by insufficient technical assistance, lack of qualified staff and inadequate education and training systems. Due to the above-mentioned reasons, S&M needs technological assistance and new and additional GEF financial support in order to cover the full cost of the preparation of the Initial National Communication to the UNFCCC. At the same time this Project will assist S&M in meeting the reporting requirements under Article 12 of the Convention.

Several activities and projects relating to climate change and implementation of international conventions have been undertaken in the past period, involving national institutions and being supported by multilateral and bilateral donors and GEF. The Framework for future National Climate Change Strategy with Draft Climate Change Action Plan was prepared in 2005, based on conclusions, recommendations and suggestions of the Round Table and multisectoral consultation process supported by Japan Special Fund and the Regional Environmental Center for Central and Eastern Europe - REC.

Within the framework of the projects *Technical Assistance for the Ratification of the Kyoto Protocol and for the Establishment of a System of Renewable Energy Green Certificates* supported by the Italian Ministry for the Environment and Territory, the GHG inventories preparation in the Republic of Serbia and the Republic of Montenegro, have been initiated. The draft Law on Kyoto Protocol Ratification has also been prepared (including Justification of the Law), and is awaiting decision of the two republican Governments to be forwarded to S&M Parliament for adoption. *Enabling Activities for the Inventory Preparation of Serbia and Montenegro's as part of INC to the UNFCCC* will build on the results of the Italian project and provide for the necessary follow-up. In particular, the process of preparation of GHG inventories will be institutionally embedded, and national capacities will be built for systematic collection and periodic reporting on anthropogenic emissions by sources and removals by sinks of all GHGs not

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<sup>3</sup> Acts as GEF Operational Focal Point for S&M.

controlled by the Montreal Protocol, in line with the revised 1996 Intergovernmental Panel on Climate Change (IPCC) Guidelines.

Among the GEF supported projects in S&M, the most relevant one, being implemented by the UNDP, is Enabling Activity for National Capacity Self-Assessment, which looks into S&M capacity to implement United Nations Framework Convention on Climate Change, United Nations Convention on Biodiversity and United Nations Convention to Combat Desertification and Drought .

Besides the initiatives directly linked to climate change, various environment and development measures, activities and programmes in S&M receive support from the agencies of the UN system, the World Bank, the EU and bilateral donors. Regional co-operation (with Balkan and/or Southern and Eastern European – SEE countries) is growing in various fields, including environment and energy. The Athens Process that started in 2002, aiming to create Regional Energy Market, is particularly worth of mentioning. As a result of this process, both the Republic of Serbia and the Republic of Montenegro have signed and ratified the Energy Community Treaty in 2005, which endorses the implementation of the EC *Acquis communautaire* on energy, environment, competition and renewables. Under Chapter III of the Treaty, Parties recognized the importance of the Kyoto Protocol and emphasised the importance of acceding to it.

As for the national strategic and policy framework for climate change, it is important to note that efforts have been undertaken by responsible institutions in Republic of Serbia and in Republic of Montenegro to address climate change issues in identifying various environmental problems and challenges.

The draft **National Environmental Action Plan** (NEAP) for Serbia was prepared in 2005 based on national sustainable development priorities, Agenda 21 and objectives and priorities of The Sixth European Community Environment Action Programme 2001-2010, and it includes considerations of climate change issues.

In addition several sectoral strategies relevant to the climate change issue have been adopted in Serbia (Strategy for energy development of the Republic of Serbia until 2015; Forestry Policy of Serbia; Strategy for Agriculture; and Strategy for Waste Management).

In Montenegro, strategic document **Development Directions of Montenegro as an Ecological State** (adopted in 2001) represents an overall framework for the implementation of environmental and development initiatives. **Agenda of Economic Reforms** (2002, review in 2005) is another important document setting out a plan of action for reforms in different sectors, including environmental protection (and climate change issues). Sectoral strategies relevant to climate change have either been prepared or are in the process of being prepared (including waste management, energy, regional economic development, forestry, and transport). In the framework of cooperation with the Mediterranean Action Plan (MAP) and the Mediterranean Commission on Sustainable Development (MCSD), the process of preparing National Strategy for Sustainable Development is currently underway. Similarly to the situation in Serbia, national goals are being increasingly aligned with the global and the EU strategic documents and sustainable development priorities.

Both member states of the State Union prepared **Poverty Reduction Strategy Papers** (PRSP) in 2003, with the support of the World Bank. The two Strategies integrated Millenium Development Goals (MDGs) into national development priorities. National reports on the progress in implementing MDGs were prepared in 2005.

## **1.2. Strategy**

The immediate objective of the project is to assist S&M in meeting the reporting requirements under Article 12 of the Convention, through the preparation of the INC. At the same time, the project is meant to strengthen technical and institutional capacities in the Republic of Serbia and the Republic of Montenegro to implement the Convention, and assist respective Governments to integrate climate change



concerns into sectoral and national development priorities. The project will furthermore contribute to building awareness and achieving national consensus and willingness to take action and mainstream climate change issues into relevant social, economic and environmental policies, developing at the same time public support for these initiatives. Special emphasis will be placed on the elaboration of national strategies to reduce greenhouse gas (GHG) emissions and provision of guidance for assessing vulnerability to climate change and identifying, prioritizing, and shaping potential adaptation options into a coherent strategy that is consistent with national sustainable development and other priorities. In so doing, the project will also contribute to meeting the UN Millennium Development Goals. Finally, the project will help identify major gaps and constraints associated with the implementation of activities, measures and programmes envisaged under the Convention, as well as technical, financial and capacity means needed to overcome these gaps and constraints.

The strategy of the project is to employ the best local expertise and international consultancy when needed. The activities for which the Republic of Serbia and the Republic of Montenegro are competent under the existing national environmental legislation, such as GHG inventories, mitigation options and Vulnerability&Adaptation assessments will be implemented through the engagement of research teams from the two S&M member states. This will be done in order to enable full scale mobilization of all the relevant national institutions as well as national expert teams.

The project will collaborate closely with the other relevant ongoing projects in Republic of Serbia and in Republic of Montenegro , in order to enable an effective information exchange between the projects and full utilization of their results. Regarding the international collaboration, working links with relevant regional and international expert institutions will be created, and they will be consulted when selecting methodologies and implementing specific activities of the projects. In addition, during the preparation of S&M Initial National Communication to UNFCCC, close communication will be established with other major bilateral and multilateral donors active in the climate change focal area and other related fields.

The project outcome will be achieved through wide range of activities, including: i) enabling systematic and institutionally embedded gathering of data on GHG emissions and preparation of the national inventories of greenhouse gases based on adopted methodologies of IPCC; ii) an assessment of potential options to adapt to the impacts of climate change with respect to climate change impact studies on agriculture, water resources, forestry and natural ecosystems; iii) an analysis of potential options to abate the increase in GHG emissions and to enhance removals by sinks. In addition, the necessary financial and technological needs assessments will be conducted and priorities identified for climate change research and monitoring, education, training and awareness raising, institutional strengthening and climate change policy development. The information will be presented in a consistent, transparent and comparable manner, taking into account specific national circumstances, as well as all other principle aspects from the "Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention" (COP Decision 17/CP.8). The project will also strengthen the capacity of S&M to contribute to the ongoing climate change international negotiations under UNFCCC and to analyze the opportunities and obligations rising from new regional and international initiatives aiming to protect global climate.

Since this is the first time that S&M undertakes the preparation of the National Communication to the UNFCCC, active co-operation will be established with the countries of the sub-region that have already undergone this process and are already preparing the Second National Communication. The project will draw on lessons learnt and experience from other countries in the region, as relevant.

### 1.3. Management Arrangements

#### *Coordination and Support*

As mentioned previously, according to the Agreement reached in 2003 regarding the operationalisation of cooperation between the relevant ministries in Republic of Serbia and Republic of Montenegro, the Ministry of Science and Environmental Protection of Serbia (MSEP), in its capacity of a UNFCCC National Focal Point for State Union Serbia and Montenegro, is responsible for the implementation of the S&M Project and plays a Project coordinating role, whereas the Ministry of Environmental Protection and Physical Planning of Montenegro (MEPPP) acts as a GEF Operational Focal Point. The objectives of the proposed Project will be achieved with in-kind support of the republican governments in the form of their institutional setups (institutes/departments/research labs etc.), infrastructure etc. The UNDP CO S&M as an Implementing Agency of the Global Environment Facility facilitates the mobilization of resources in the GEF Climate Change Focal Area and provides support during the preparation of Initial National Communication. In their capacities two ministries endorse this project and agree to the following Project implementation arrangements.

#### *Implementation and Collaboration*

The two Ministries – MSEP in Serbia and MEPPP in Montenegro – will serve as Executing Agencies of the project at the level of republics. The project will be executed in close collaboration with other relevant ministries and UNDP CO in S&M. Upon the approval of the Project the two ministries may designate other relevant local executive agency, as appropriate.

Various governmental, research and development institutions, non-governmental organizations, industry, and private consultant firms from the Republic of Serbia and the Republic of Montenegro will be engaged in different ways to assist with project execution. In this way, national potential will be mobilised to the greatest possible extent, and opportunities created for capacity building and institutional strengthening. Day-to-day project management will be handled by two Project Management sub-units and project management teams (consisting of Project Co-Managers, acting as Project Managers at the level of republics and Team Leaders for GHG inventory, vulnerability and adaptation, and climate change mitigation for both, Republic of Serbia and Republic of Montenegro). Project duration will be three years.

To facilitate co-ordination, participation and sustainability of the results of the project, a Project Steering Committee (PSC) will be established. The main role of the PSC will be to provide general guidance and supervision to the project, as well as to enhance public participation and contribute to awareness raising. During the Initial National Communication preparation networks will be established to achieve its various goals.

UNDP as an Implementing Agency of the Global Environmental facility will appoint a Project Coordinator, who will assume accountability of the use of funds, monitoring and evaluation of the project and management and audit of GEF resources.

A Project Assistant will assist the Project Coordinator in the Coordination of activities and project logistics.

Further details on management arrangements are presented in the Appendix B, section 5: Institutional Framework for Project Implementation.

## 1.4. Monitoring and Evaluation

### Monitoring responsibilities and events

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. Such a schedule will include: (i) tentative time frames for Project Steering Committee Meetings, and (ii) project related Monitoring and Evaluation activities.

*Day to day monitoring of implementation progress* will be the responsibility of the Project Management Team, 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 applied in a timely and remedial fashion.

*Periodic monitoring of implementation progress* will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

### Project Monitoring Reporting

The Project Coordinator in conjunction with the UNDP-GEF extended team will be responsible for the preparation and submission of the following reports that form part of the monitoring process.

#### *(a) Inception Report (IR)*

A Project Inception Report will be prepared immediately following the Inception Workshop. It will include a detailed First Annual Work Plan divided in quarterly timeframes detailing the activities and progress indicators that will guide implementation during the first year of the project. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame.

The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may affect project implementation.

When finalized the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP Country Office and UNDP-GEF's Regional Coordinating Unit will review the document.

#### *(b) Quarterly Progress Reports*

Short reports summarizing main updates in project progress will be provided quarterly to the local UNDP Country Office and the UNDP-GEF regional office by the project team.

(c) ***Technical Reports***

Technical Reports are detailed documents covering specific areas of analysis or scientific specializations within the overall project. As part of the Inception Report, the project team will prepare a draft Reports List, detailing the technical reports that are expected to be prepared on key areas of activity during the course of the Project with tentative due dates. Where necessary this Reports List will be revised and updated, and included in subsequent Annual Project Reports. Technical Reports may also be prepared by external consultants and should be comprehensive, specialized analyses of clearly defined areas of research within the framework of the project. These technical reports will represent, as appropriate, the project's substantive contribution to specific areas, and will be used in efforts to disseminate relevant information and best practices at local, national and international levels.

Audit Clause

The Government will provide the UNDP Resident Representative with certified periodic financial statements, and with an annual audit of the financial statements relating to the status of UNDP/GEF funds according to the established procedures set out in the Programming and Finance manuals. The Audit will be conducted by the legally recognized auditor of the Government, or by a commercial auditor engaged by the Government.

**1.5 Legal Context**

This Project Document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement (SBAA) between the Government of State Union Serbia and Montenegro and the United Nations Development Programme, signed by two parties. The S&M host country-implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government co-operating agency described in that Agreement.

UNDP acts in this Project as Implementing Agency of the Global Environment Facility (GEF), and all rights and privileges pertaining to UNDP as per the terms of the SBAA shall be extended mutatis mutandis to GEF.

The UNDP Resident Representative is authorized to effect in writing the following types of revision to this Project Document, provided that he/she has verified the agreement thereto by GEF Unit and is assured that the other signatories to the Project Document have no objection to the proposed changes:

- a) Revision of, or addition to, any of the annexes to the Project Document;
- b) Revision which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of the inputs already agreed to or by cost increases due to inflation;
- c) Mandatory annual revisions which re-phase the delivery of agreed project outputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility, and
- d) Inclusion of additional annexes and attachments only as set out here in this Project Document.

**SECTION 2: Total Budget**

The following budget table is drafted in accordance with the indicative budget allocation contained in the Table 1 of the guidance material provided to assist countries with the preparation of the technical components of the project proposal. The project budget will be allocated proportionally to the Executing Agencies in the Republic of Serbia and in the Republic of Montenegro in order to cover respective project costs.

**TABLE 1. Total Budget**

<b>Award ID: 00046097</b>								
<b>Award Title: PIMS 3329 CC EA: Initial National Communication of Serbia and Montenegro</b>								
<b>Project ID: 00054706</b>								
<b>Project Title: PIMS 3329 CC EA: Initial National Communication of Serbia and Montenegro</b>								
<b>Execution Agency: UNDP (DEX)</b>								
OUTCOMES (and corresponding indicators)	RESPONSIBLE PARTNER	PLANNED BUDGET						
	NFC/LEA	Source of Funds	Budget Code	Budget Description	Year 1(US\$)	Year 2(US\$)	Year 3(US\$)	Total Budget (US\$)
National Circumstances	UNDP	GEF	71300	Local Consultants	3000	0	7000	10000
				<b>Sub-total</b>	<b>3000</b>	<b>0</b>	<b>7000</b>	
National Greenhouse Gas inventories	UNDP	GEF	71400	Contractual Service-Indiv.	2000	2000	2000	10000
			71300	Local Consultants	0	0	0	
			72600	Travel	0	0	0	
			72200	Equipments	0	0	0	
			71500	Supplies	0	0	0	
			71400	Communications And Audiovisual Equip.	0	0	0	
			71200	Miscellaneous Expenses	2000	2000	0	
			<b>Sub-total</b>	<b>4000</b>	<b>4000</b>	<b>2000</b>		
Programmes containing measures to facilitate adequate adaptation to climate change	UNDP	GEF	71400	Contractual Service-Indiv.	14000	14000	14000	120000
			71300	Local Consultants	6000	20000	7000	
			72600	Travel	3000	7000	5000	
			72200	Equipments	3000	8000		
			71500	Supplies	2000	2000	2000	
			71400	Communications And Audiovisual Equip.	2000	2000	2000	
			71200	Miscellaneous Expenses	1500	4000	1500	
			<b>Sub-total</b>	<b>31500</b>	<b>57000</b>	<b>31500</b>		

<b>Programmes containing measures to mitigate climate change</b>	UNDP	GEF	71400	Contractual Service-Indiv.	14000	14000	14000	<b>70000</b>
			71300	Local Consultants	4000	8000	4000	
			72600	Travel	3000	3000	3000	
			71200	Miscellaneous	0	3000	0	
				<b>Sub-total</b>	<b>21000</b>	<b>28000</b>	<b>21000</b>	
<b>Other relevant information (e.g. research / systematic observation, technology transfer, education, public awareness, capacity building)</b>	UNDP	GEF	71300	Local Consultants	7000	7000	7000	<b>30000</b>
			71200	Miscellaneous	2000	2000	5000	
				<b>Sub-total</b>	<b>9000</b>	<b>9000</b>	<b>12000</b>	
<b>Constraints &amp; Gaps, Related Financial &amp; capacity needs</b>	UNDP	GEF	71300	Local Consultants	0	0	25000	<b>25000</b>
					<b>0</b>	<b>0</b>	<b>25000</b>	
<b>Technical Assistance</b>	UNDP	GEF	71200	International consultants	12500	12500	0	<b>25000</b>
				<b>Sub-total</b>	<b>12500</b>	<b>12500</b>	<b>0</b>	
<b>Compilation, Production of communication, including Executive Summary and its translation</b>	UNDP	GEF	71300	Local Consultants	0	0	17000	<b>25000</b>
			74200	Audio visual and printing	0	0	8000	
				<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>25000</b>	
<b>Project Management</b>	UNDP	GEF	71400	Contractual Service-Indiv.	21600	21600	21600	<b>75000</b>
			71300	Local Consultants	2900	3400	2900	
			71200	Miscellaneous	500	0	500	
				<b>Sub-total</b>	<b>25000</b>	<b>25000</b>	<b>25000</b>	
<b>Monitoring and reporting</b>	UNDP	GEF	74100	Professional Services	5000	5000	5000	<b>15000</b>
				<b>Sub-total</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	
				<b>Grand Total</b>	<b>111000</b>	<b>140500</b>	<b>153500</b>	<b>405000</b>

## SECTION 3: Other Agreements

### Endorsement letter from Montenegro



Republic of Montenegro  
Government of the Republic of Montenegro  
Ministry of Environmental Protection  
and Physical Planning

Ref: 04-3812/06  
Date: 8 October 2006

United Nations Development Programme (UNDP)  
Montenegro  
Resident Representative at  
Mr. Garret Tankovic-Kelly

Global Environmental Facility (GEF)

#### LETTER OF ENDORSEMENT

GEF EA project "Initial National Communication of Serbia and Montenegro to the United Nations Framework Convention on Climate Change - UNFCCC"

Dear Sirs,

On behalf of the Government of Montenegro and in my capacity as GEF Operational Focal Point I hereby endorse the request of funding of 405,000 USD for the project entitled "Initial National Communication of Serbia and Montenegro to the United Nations Framework Convention on Climate Change - UNFCCC", to be presented through the United Nations Development Programme (UNDP) to the Global Environmental Facility. Also, I hereby declare that Ministry of Environmental Protection and Physical Planning of Montenegro is fully committed to participate as partner in the design and implementation of the above mentioned project.

Looking forward to your kind consideration in this matter.

Sincerely,

Boris Vucinic  
Minister  
GEF Operational Focal Point  
Ministry of environmental protection and physical planning of Montenegro  
REPUBLIC OF MONTENEGRO



Republic of Serbia  
MINISTRY OF SCIENCE AND  
ENVIRONMENTAL PROTECTION  
**Directorate for Environmental Protection**

No.: 337-00-344/2006-01

Date: November 9, 2006

Belgrade

10 NOV 2006  
7

United Nations Development Programme (UNDP) Serbia  
Mr. Lance Clark, Resident Representative  
Belgrade  
Intencionalnih brigade 69

LETTER OF ENDORSEMENT

Subject: GEF EA project "Initial National Communication of Serbia and Montenegro to the United Nations Framework Convention on Climate Change - UNFCCC"

Dear Mr. Klark,

On behalf of the Government of Serbia and in my capacity as GEF Political Focal Point I hereby endorse the request of funding of 405.000 USD for the project entitled "Initial National Communication of Serbia and Montenegro to the United Nations Framework Convention on Climate Change - UNFCCC", to be presented through the United Nations Development Programme (UNDP) to the Global Environmental Facility. Also, I inform that Ministry of Science and Environmental Protection of the Republic of Serbia is fully committed to participate as partner in the design and implementation of the above mentioned project.

Looking forward to your kind consideration in this matter.

Sincerely,



*[Handwritten signature]*  
Dr. Miroslav Nikčević, Director  
GEF Political Focal Point





Republic of Serbia  
MINISTRY OF SCIENCE AND  
ENVIRONMENTAL PROTECTION  
**Directorate for Environmental Protection**

No.: 337-00-310/2006

Date: January 16, 2007  
Belgrade

Mr. Frank Pinto  
Executive Coordinator  
Global Environmental Facility and Deputy Leader

Subject: GEF EA Project - Endorsement Letter

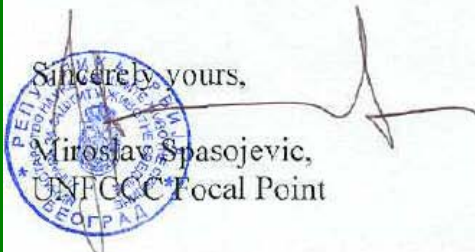
Dear Mr. Pinto,

In my capacity as the UNFCCC Focal Point for the Republic of Serbia, I hereby endorse the proposal to access GEF funding to conduct the project „Initial National Communication of Serbia and Montenegro to the United Nations Framework Convention of Climate Change" through the United Nations Development Programme.

By requesting this assistance, the Government of the Republic of Serbia considers the Project as an important step in implementing its international obligations under the UNFCCC and valuable support in our on going activities to achieve the goals of the national sustainable development.

Sincerely yours,

Miroslav Spasojevic,  
UNFCCC Focal Point



## APPENDICES

### Appendix A: Summary report of the self assessment exercise

Stocktaking exercise has been conducted in order to identify priority activities for S&M's Initial National Communication (INC) to the UNFCCC in an inclusive and participatory manner so that it raises the awareness and strengthens the ownership over the climate change related issues. Therefore INC project proposal was prepared as a result of participatory and consultative stocktaking exercise. The key outcome of this process is preparation of Initial National Communication, which will be submitted to COP.

Project implementation process started on 18 April 2005. The project management team was established in Serbia and in Montenegro to carry out day-to-day coordination and management of the self-assessment exercise and oversee the preparation of the project proposal. The project management team consists of two Project Co-Managers (Project Managers on the level of republics) and five assigned team leaders for Inventories, Vulnerability & Adaptation and Mitigation (3 from Republic of Serbia and 2 from Republic of Montenegro). In addition, the open forum group was created for more comprehensive consultations and self-assessment. A national workshop has been held during the Self-assessment Exercise project. Institutional structure of the project implementation, detailed work plan and criteria for selection of critical priority areas were discussed at the inception workshop. The basic prioritization criteria related to vulnerability & adaptation and mitigation included:

1. Climate change impact on human health and natural resources (water, soil, forests, biodiversity, coastal area) together with its social and economic significance (agriculture, energy sector, industry, transport, tourism);
2. Potential to abate the increase in GHG emissions (energy, transport, industry) and to enhance removals by sinks (forests);
3. Sustainability (ensuring sustainable development: e.g. production of food, water management, renewable energy resources, protection of natural and human systems);
4. Socio-economic and environmental benefits (importance for overall economic development and achieving better living conditions and poverty reduction in Republic of Serbia and in Republic of Montenegro);
5. Fulfilling international commitments (obligations ensuing from the UNFCCC and its Kyoto Protocol; ratification of Kyoto Protocol is forthcoming).

It was agreed that the priority should be given to the problems and sectors highlighted in the **Poverty Reduction Strategies**, the draft **National Environmental Action Plan** for the Republic of Serbia and **Development Directions of Montenegro as an Ecological State**.

In order to ensure the stakeholders participation, more than 40 experts and high-level representatives from 20 governmental, non-governmental and academic institutions took part in the workshop **Climate Change – S&M Obligations under the UN Framework Convention on Climate Change**, which was held in April 2005 in the framework of self-assessment exercise. Conclusions of this workshop together with proceedings from other consultative forums and projects were taken into account in preparing the project proposal. The project management team also reviewed the key strategies and policy documents existent in the country, such as: national environmental strategies, Poverty Reduction Strategy Papers strategies and policies for thematic areas of energy and forestry, as well as international reports such as UNECE Environmental Performance Review for S&M (then FRY), and annual meteorological and statistical reviews, reports, etc. In addition, data availability in various departments and institutions in Republic of Serbia and in Republic of Montenegro was assessed, while gaps and technical/capacity constrains have been considered.

**Results of this analysis are presented in the introductory section of each output planned in the INC. The list of stakeholders and their possible role in the INC is presented in the table below.**

Six main outputs and related activities have been discussed during the inception workshop (national circumstances, GHG national inventory, vulnerability&adaptation, measures for mitigation of climate change, gaps and financial needs and other information). Main comments from stakeholders were related to data gaps and uncertainties, financial and technical/capacity needs and methodological issues. In addition, comments on priority areas and activities for the INC were received from stakeholders during the stocktaking process and have been integrated in the final project proposal.



## Summary of stakeholders consultations

Name of institutions/stakeholders consulted	Stakeholder interest, official position or mandate	Reasons for inclusion	Role in the self-assessment process (e.g. consultations, preparation of reports, data provider)
Ministry of Science and Environmental Protection (Republic of Serbia)	Implementation of state policy in climate change and Republic of Serbia environmental policy	S&M National Focal Point to UNFCCC, coordination activity and support in project activity preparation	Preparation of draft report
Ministry of Environmental Protection and Physical Planning (Republic of Montenegro)	Implementation of state policy in marine ecosystem protection and Republic of Montenegro environmental policy	Implementing partner	Preparation of draft report
Ministry of International Economic Relations (Republic of Serbia)	Implementation of state policy in foreign trade and economy		Consultation
Ministry of Energy and Mining (Republic of Serbia)	Implementation of policy of Republic of Serbia in energy development	Cooperation for the integration of climate change issues in strategy for energy and sustainable development	Preparation of draft report
Ministry of Agriculture, Forestry and Water Management (Republic of Serbia)	Implementation of policy of Republic of Serbia in Agriculture, water resources and Forestry	Cooperation for the integration of climate change issues in strategy for Agriculture, Forestry and Water Resources	Consultation
Ministry of Capital Investment (Republic of Serbia)	Implementation of policy of Republic of Serbia in Traffic and Communication sectors	Cooperation in climate change mitigation assessment and activity data collecting for GHG inventory preparation	Consultation
Agency for Environmental Protection, Republic of Serbia	Compilation of the GHG inventory	Reporting to the EEA	Consultation
UNDP CO S&M	Implementation of UN Development Programme in support of S&M sustainable development	GEF Implementing Agency	Consultation
REC CO S&M	Regional cooperation in the environment	Involvement in regional climate change and environmental cooperation promotion	Consultation
University of Belgrade Faculty of Physics and Faculty of Technology and Metallurgy	Implementation of national policy in the education and scientific research	Cooperation in climate change impact and mitigation assessment and GHG inventory preparation	Consultation

University of Montenegro, Faculty of Electrical Engineering	Implementation of national policy in the education and scientific research	Cooperation in climate change mitigation assessment	Consultation
Ministry of Economy Directorate for Energy (Republic of Montenegro)	Implementation of national energy policies	Co-operation towards integration of climate change issues into energy strategy; co-operation on mitigation measures	Consultation
Faculty of Forestry, University of Belgrade	Implementation of national policy in the education and scientific research	Cooperation in climate change impact and mitigation assessment and GHG inventory preparation	Consultation
Faculty of Agriculture University of Belgrade,	Implementation of national policy in the education and scientific research	Cooperation in assessment of climate change impact on agriculture and forestry	Consultation
Republic Hydrometeorological Service of Serbia	Monitoring of state of weather, climate and water, air and water quality monitoring in Republic of Serbia, National Meteorological and Hydrological center of S&M with WMO and other relevant international organization	Climate Change monitoring and research, climate database construction for the assessment of Climate Change trends (scenarios) and Climate projection for the current century; impact, vulnerability and adaptations assessments; future involvement in the GHG emissions inventory preparation for Serbia	Preparation of draft report
Hydrometeorological Service of Montenegro	Monitoring of state of weather, climate and water, air and water quality monitoring in Republic of Montenegro	Climate Change monitoring and research, preparation of database for the assessment of Climate Change trends (scenarios) and their projection in the current century; impact, vulnerability and adaptations assessments; involvement in the GHG emissions inventory preparation for Montenegro.	Preparation of draft report
Energy Efficiency Agency, Republic of Serbia	Involvement in the Climate Change Mitigation Assessment	Reduction of GHG emissions	Consultation
Public Enterprise "Elektroprivreda Srbije - EPS" (Electric Power Company of Serbia)	Electricity energy production and implementation of energy development strategy of Serbia	Involvement in collecting the data needed for GHG inventory preparation and mitigation assessment;	Preparation of draft report
Statistical Office of the Republic of Serbia	Implementation of national statistical program for Serbia	Involvement in the preparation of GHG inventory	Consultation

Statistical Office of the Republic of Montenegro	Implementation of the national statistical system in Montenegro	Involvement in the preparation of GHG inventory	Consultation
Institute for Health, Serbia	Implementation of national policy in the health protection in Serbia	Cooperation in assessment of climate change impact on human health	Consultation
Public Enterprise "Elektroprivreda Crne Gore - EPCG" (Electric Power Company of Montenegro)	Electricity energy production and implementation of energy development strategy of Montenegro	Involvement in collecting the data needed for GHG inventory preparation and mitigation assessment;	Consultation
«MPD Trade» d.o.o Beograd	Private company	Involvement in the climate change mitigation assessment	Consultation
NGO, "Endemit", Pancevo and "Danube Forum – river of cooperation", Serbia	NGO activities in environmental protection	Cooperation in awareness rising related to climate change	Consultation
Media RTS	Public information	Cooperation in public information strengthening on climate change issues	Consultation
Ministry for the Environment and Territory, Republic of Italy Task Force Central and Eastern Europe	Technical assistance to: Ratify the Kyoto Protocol; establish a system of tradable renewable energy green certificates; and CDM mechanism. Assisting in preparation of INC beyond requirements prescribed for non-Annex I Parties. Assistance in preparing draft GHG inventories for Serbia, Montenegro and S&M	Bilateral (and Regional) Project, official support to the Balkan countries in fulfilling their commitments under UNFCCC.	Consultation in different aspects of climate change issues. Workshops, training of governmental experts.
Statistics Sweden and SIDA	Environmental Statistics Development in the Balkans	Regional Project for Western Balkan countries.	Workshops.





## Appendix B: Technical components of the project proposal

### 1. Background/Context

State Union Serbia and Montenegro (S&M) has the total surface of 102,173 km<sup>2</sup> – Serbia (88,361 km<sup>2</sup>) and Montenegro (13,812 km<sup>2</sup>). According to its geographical position in the Balkan Peninsula, its territory belongs to both Black Sea and Adriatic basins. S&M thus belongs to the Danube countries group, as well to the Mediterranean countries.

Serbia and Montenegro has a total of 8,118,146 inhabitants excluding Kosovo and Metohija<sup>4</sup>. Basic statistical data in the Republic of Serbia (according to the census from 2002) state that its overall population (excluding Kosovo and Metohija) is 7,498,001. According to 2003 census, Republic of Montenegro overall population was 620,145.

Official date of S&M ratification of the United Nations Framework Convention on Climate Change (UNFCCC) is March 12, 2001<sup>5</sup> and the Convention entered in force on June 10, 2001. As a non-Annex I Party to the Convention S&M has no quantitative commitments on the reductions of GHG emissions but in accordance with the Article 12 of Convention it is obliged to:

- prepare the national Communications to the COP of the UNFCCC;
- build awareness of climate change issues and increase the national consensus and willingness to take action;
- provide the international community with information on the inventory and trends of emissions from sources and removals by sinks of greenhouse gases;
- provide a profile of mitigation measures planned for the future;
- provide information on the potential vulnerability of its economy to projected climate change impacts, and on adequate adaptation measures for projected change;
- integrate climate change into the broader development planning process of the country and realign policies to take climate change into consideration;
- integrate climate change considerations into the planning and implementation of sector efforts and other national development plans, while developing public support for government and other initiatives in the field of climate change.

After UNFCCC ratification, effort has been made to set appropriate policy, institutional and legal framework to meet Convention commitments. S&M National Focal Point to UNFCCC was appointed, having a coordinating role for the climate change field and related activities. According to the Constitutional Charter of the State Union Serbia and Montenegro, national environmental policies and appropriate strategies for UNFCCC and Kyoto protocol implementation (once the latter is ratified) are competencies of the relevant Ministries in the two member states.

At present time, on the institutional side, Ministry of Science and Environmental Protection of Serbia<sup>6</sup>, Ministry of Environmental Protection and Physical Planning of Montenegro<sup>7</sup>, and Hydrometeorological Services of the Republic of Serbia and the Republic of Montenegro are the lead institutions responsible

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<sup>4</sup> According to the UN Security Council Resolution 1244 this territory is under the interim administration of the UN.

<sup>5</sup> S&M is successor of Federal Republic of Yugoslavia that ratified the Convention in 1997; FRY was admitted to UN in late 2000.

<sup>6</sup> Acts as UNFCCC National Focal Point

<sup>7</sup> Acts as GEF Operational Focal Point

for co-ordination of climate change activities at the level of S&M and constituent member states, and at the international level.

It is important to note that in April 2005 the Workshop entitled “Climate Change – S&M Obligations under the UN Framework Convention on Climate Change” was organized by the Ministry of Science and Environmental Protection of Republic of Serbia (in its capacity of S&M National Focal Point to UNFCCC) and UNDP CO S&M. The participants were from the Republic of Serbia and the Republic of Montenegro (about 45 participants including media). The Workshop participants adopted following conclusions, recommendations and suggestions:

- Proposal to the Ministry of Science and Environment of the Republic of Serbia, as the S&M Focal Point to the UNFCCC, to intensify the activities regarding the preparation of the First National Communication to UNFCCC;
- Proposal to prepare climate action plan embracing the following:
  - Preparation of the Study for becoming a member of the Kyoto Protocol;
  - Developing climate change monitoring and research activities, multidisciplinary climate impact assessment regarding food and energy production, water supply and other economic and social services, human health and environment;
  - Preparation of long-term measure program, including economic and technological bases for adjustments of most sensitive economic activities to the climate conditions;
  - Program of stimulating measures for more effective usage of energy; development and application of renewable energy sources in order to reduce the GHG emissions in the field of energy and industry;
  - Research the possible impacts of climate change on quality and quantity of surface and ground water with the aim to rationalize the water usage;
  - Research the possible climate change impacts on biological diversity, especially on forests and other ecosystems and development of the strategy for improvement and revitalization of forests in terms of decrease of GHG emissions;
  - Research the climate change impacts on human health;
  - Include the climate change issues into the education system at all levels, as well as improvement of prompt public informing by using available technological means;
  - Intensifying regional and international cooperation of Serbia and Montenegro in the area of climate change research.

In the framework of the REC project (supported by the Japan Special Fund), medium-term S&M Climate Change Action Plan was developed and priorities for the implementation of UNFCCC were identified. The aim of the project was to prepare framework for future response strategy for mitigation of greenhouse gas emissions in S&M. The project was completed in May 2005.

The following priorities were set by the Draft Action Plan:

1. Capacity Building in Serbia and Montenegro to deal with climate change issues and fulfillment of commitments related to the preparation of the National Communication and its submission to the UNFCCC within deadline set by the Convention's provision;
2. Creation of the national inventory system and estimations of changes of the GHG emissions at the level of the enterprises, republics and the whole country;
3. Collecting the necessary data and information and developing the Study of the S&M circumstances after the Kyoto Protocol ratification and its implementation;
4. Initiation of the national Programme and projects for capacity building under the Programmes of the World Meteorological Organization, in the fields of climate monitoring and climate extremes detection,

early warning and forecasting, as well as of climate database construction and management, regional climate modeling and climate change projections using advanced methods and technologies;

5. Initiation of projects with financial support of the GEF in the climate change focal area, regarding the energy efficiency and energy conservation, promoting the adoption of renewable energy, reducing the long-term costs of low greenhouse gas emitting energy technologies, and promoting environmentally sustainable transport;

6. Initiation of projects on synergy activities for the implementation of the three UN Conventions related to climate change, biodiversity and desertification;

7. National Climate Change Strategy preparation;

8. Strengthening of the cooperation in the field of climate change on local, national, regional and international levels.

Climate change has been integrated in several important strategic documents in S&M. This includes the draft **National Environmental Action Plan for Serbia**, which sets national sustainable development priorities, and is based on Agenda 21 and on the objectives and priorities of The Sixth European Community Environmental Action Programme 2001-2010. The NEAP also considers addressing the climate change. Climate change issues are incorporated in the Development Directions of Montenegro as an Ecological State, and are increasingly being taken into account with preparation of other general and sectoral strategies in Montenegro. Nevertheless, there is still large room for improvements when it comes to integration of climate change into environmental, economic and social policies in S&M.

As a non-Annex I Party to the UNFCCC, S&M has participated in the work of Conference of the Parties (COP) and has carefully analyzed its obligations under the Convention, including the commitment to prepare its initial national communication. While retaining a strong commitment to implement the UNFCCC, the country is facing a number of significant constraints including unfavorable economic situation and other consequences of the negative trends experienced during the past decade. Capacities to implement the Convention are insufficient, especially in the areas of: i) preparation of greenhouse gases (GHG) inventories and systematic reporting; ii) planning and implementation of measures to facilitate adequate adaptation to climate change; and iii) planning and implementation of measures to mitigate climate change. Financial, technical and capacity gaps and constraints are also identified for other specific areas pertinent to the Convention implementation, including available technology, research and systematic monitoring, public awareness, education and training, information sharing and networking.

The basic infrastructure systems, including meteorological and hydrological observation and telecommunication system, as the integral part of WMO/World Weather Watch and Global Climate Observing System, need to be upgraded and new contemporary technology needs to be introduced. In addition, climate change consideration are yet poorly integrated in sectoral and development policies; capacities for planning and policy development, vulnerability assessment and development of mitigation and adaptation measures are weak, awareness of decision/makers on climate change is low. The situation is further worsened by insufficient technical assistance, lack of qualified staff and inadequate education and training systems. Due to the above-mentioned reasons, S&M needs new and additional GEF financial support as well as technical assistance in order to cover the full costs of the preparation of Initial National Communication under the UNFCCC, building at the same time capacities and creating conditions for the full implementation of the Convention's objective in the future.

## **2. Project Objectives**

Project Development Objective:

The project will strengthen institutional and technical capacity of Serbia and Montenegro to deal with climate change issues and to mainstream climate change concerns into sectoral and national development priorities.

Project Immediate Objective:

The project will enable Serbia and Montenegro to prepare and submit its Initial National Communication to the UNFCCC and meet its obligations under Convention.

## **3. Project Strategy**

The close collaboration of all relevant ministries and other institutions in S&M is crucial to success of the project. The project will respond to this requirement by employing the best local expertise as well as international consultancy when needed. The activities for which the Republic of Serbia and the Republic of Montenegro are competent under the existing national environmental legislation, such as GHG inventories, mitigation options and Vulnerability&Adaptation assessment, will be implemented through the engagement of research teams from the two S&M member states so that all of the relevant republic institutions, as well as expert teams, are mobilized in the process of preparation of INC.

All governmental and academic institutions, together with the NGO community involved in climate change and sustainable development problems such as poverty reduction, MDGs, energy and food production, sustainable forests and water resources management, health and biodiversity protection, natural disaster mitigation, etc., have been invited to participate in the stocktaking process and in selection of priority sectors and goals for the INC. That was a very important step in creation the institutional framework for preparation of INC and should be considered as the element of sustainability in the process of the national communication in the future. The project of preparing the INC will provide that appropriate linkages between climate change issues and development priorities of the country are established, and will further review and identify relevant policy frameworks for climate change mainstreaming.

The project will also collaborate closely with other relevant ongoing projects in S&M, in order to enable an effective information exchange between the projects and full utilization of their results. Regarding the international collaboration, working links with relevant regional and international expert institutions will be created, which are to be consulted when selecting the methodologies and implementing the specific activities of the project. In addition, during the preparation of S&M Initial National Communication to UNFCCC, close communication will be established with other bilateral and multilateral donors active in the climate change focal area and other related fields, such as EU/CARDS, WMO/GCOS, etc.

The Ministries of Science and Environmental Protection in the Republic of Serbia and of Environmental Protection and Physical Planning of the Republic of Montenegro will execute the project in their capacities of institutions responsible for UNFCCC implementation in the two S&M member states (former also in its capacity of S&M's National Focal Point to UNFCCC).

The Ministries may select the local organisations for this enabling activity project as implementing partners.

The project will be executed in close cooperation with other relevant ministries and UNDP CO, while executing agencies will be assisted by a number of national governmental, R/D institutions, as well as

non-governmental organizations, industry and private consultant firms from the Republic of Serbia and the Republic of Montenegro.

To facilitate co-ordination, participation and sustainability of the results of the project, a Project Steering Committee (PSC) will be established. The main role of the PSC will be to provide general guidance and supervision to the project, as well as to enhance public participation and contribute to awareness raising.

Since this is the first time that S&M undertakes the preparation of the National Communication to the UNFCCC, active co-operation will be established with the countries of the sub-region that have already undergone this process and are already preparing the Second National Communication. The project will draw on lessons learned and experience from others countries in the region, as relevant. The basis for collaboration with other significant projects has already been established before and during the stocktaking exercise. Examples include REC (Regional Environmental Center for Central and Eastern Europe) Project “Capacity Building for Improving the Quality of Greenhouse Gas Inventories (Europe/CIS Region)” supported by UNDP and also Italian project “Technical assistance for the ratification of the Kyoto Protocol and for the establishment of a system of Renewable Energy Green Certificates”.

The enabling activity project will allow S&M to prepare its Initial National Communication on Climate Change to the COP of the UNFCCC and meet its convention obligations. This project outcome will be achieved through wide range of activities, including: i) gathering data on anthropogenic GHG emissions and removals by sinks and preparation of the national inventories of greenhouse gases based on adopted methodologies of IPCC; ii) climate change impact assessment and analysis of potential options to adapt to these impacts with regard to the agriculture, water resources, forestry, natural ecosystems and coastal areas; iii) analysis of potential options to abate the increase in GHG emissions and to enhance removals by sinks. In addition, assessments of financial and technological needs will be conducted and priorities identified for climate change research and monitoring, education, training and awareness raising, institutional strengthening and climate change policy development. The information will be presented in a consistent, transparent and comparable manner, taking into account specific national circumstances. Other principles and recommendations from the “Guidelines for the preparation of national communications from Parties not included in Annex I to the Convention” (COP Decision 17/CP.8) will be followed in preparing the S&M’s Initial National Communication. The project will also strengthen capacities in both Republic of Serbia and Republic of Montenegro to contribute to ongoing climate change international negotiations under UNFCCC and to analyze the opportunities and obligations rising from new regional and international initiatives aiming to protect the global climate.

The UNDP CO S&M as an Implementing Agency of the Global Environment Facility facilitates the mobilization of resources in the GEF Climate Change Focal Area and provides support during the preparation of Initial National Communication.

#### **4. Project activities**

##### **1. National circumstances**

Climate conditions of both, Republic of Serbia and Republic of Montenegro, geography, population, natural resources and some socio/economic parameters are the main elements which will be considered and reported within the S&M’s National circumstances section of INC. Planned climate change activities should be in line with implementation of PRSPs and national environmental strategies (NEAP in Serbia, other documents in Montenegro), as well as with programmes aimed at meeting the MDGs. It is important to stress coordination of on-going and planned activities by various donors in related areas of promotion of renewable energy, assessment of vulnerability of forest and land degradation, improvement

of data management systems, etc. Improved coordination among all relevant actors would be one of the key requirements for data and information update and mitigation of uncertainties.

### *Activities*

1.1. Preparation and analysis of information related to national circumstances, i.e. S&M's geography, climate, natural resources and socio/economic conditions which may affect country's ability to deal with mitigation and adaptation to climate change.

1.2. Analysis of specific needs and concerns arising from the adverse effects of climate change, national development objectives, priorities, circumstances and programmes.

### Methodology

Review of ongoing international, regional, national and sectoral programmes, close cooperation with different governmental institutions/agencies and NGOs. Participation at relevant conferences and other events organized for sustainable development, poverty reduction, MDG, environmental and other programmes.

## **2. Greenhouse gas inventory**

### *Priorities for INC*

The gaps identified in the Stakeholder consultations process and self-assessment exercise are as follows: The existing post-sanctions economic difficulties are exacerbated in Serbia and Montenegro by current insufficient institutional and human resources capacities. Limited legal and administrative capacity to prepare and implement the necessary by-laws and regulations for data collection, quality control, inventory preparation and coordinated information management pose serious constraints. In addition, there is incompliance between existing data and data requested by IPCC methodology. Both, Republic of Serbia and Republic of Montenegro lack necessary equipment and tools for data collection, archiving, management and web presentation. Lack of sufficient funding for targeted research as well as low availability of skilled personnel in the area of GHG inventories for key source categories restrain development of methodological capacity in the country. Some of the already implemented activities brought certain improvements. The example is the on-going project supported by the Italian Ministry of the Environment and Territory under which the first order GHG inventory is being prepared still not covering all IPCC sectors due to the difficulties to provide a complete set of activity data. However, much remains to be done to ensure adequate capacities and procedures for institutionalised and systematic preparation of GHG inventories.

The INC will address most of the identified gaps.

### *Activities*

Following activities are planned for INC:

- 2.1. Identify sources of activity data for key categories and priority sectors to be covered by the INC, including new gases following the IPCC guidelines;
- 2.2. Gathering data on anthropogenic emissions GHG for key source categories and priority sectors;
- 2.3. Assess possibilities for inventory of new gases;
- 2.4. Assess applicability of IPCC '96 default emission factors for key source categories where appropriate;
- 2.4. Preparation of the GHG inventory for all sectors and all gases considered in IPCC '96 guideline for the base year 2000;

- 2.5. Training workshops (with wide local participation and international partners) for Sectors of interest including instruction courses in the OECD/IPCC inventory software;
- 2.6. Awareness raising activities targeted at the key decision-making institutions and other entities that hold related data and information.

### Methodology

IPCC '96 methodology, and Good Practice Guidance on Land Use, Land-Use Change and Forestry (GPG for LULUCF) will be used as a basic methodology for GHG inventory in the INC. The Handbook developed by UNDP/GEF NCSU on "Managing the National Greenhouse Gas Inventory" will be used as methodological manual while conducting the national inventory. IPCC software and GHG reporting tables developed by the UNFCCC Secretariat (Decision 17/CP.8) will be used for archiving data and data reporting of inventory results.

## **3. Programmes containing measures to facilitate adequate adaptation to climate change**

### *Gaps and priorities for INC*

The Hydrometeorological Service of Serbia and Hydrometeorological Service of Montenegro, as governmental organizations, are responsible for the climate change monitoring, climate data exchange and database management, and applied research and climate predictions in the framework of various scientific and technical programmes of the World Meteorological Organization.

As a developing country, S&M is faced with complex political, economic and social conditions that have ensued from the period of 1990's and the beginning of 2000's (which was characterised by the breakdown of former country and a series of Balkan wars, international isolation, deep economic crisis, and more recent challenges linked to reforming the joint state and implementing transition to a market economy reforms).

The basic infrastructure systems, including meteorological and hydrological observation and telecommunication system, as an integral part of WMO/World Weather Watch and Global Climate Observing System, deteriorated technologically and need heavy repair and/or upgrade. The climate monitoring and regional climate modeling in S&M are insufficient, which results in limited amount of reliable climate information that could potentially improve the uncertainties in regional climate projections for adaptation assessment. In addition, climate change considerations are yet poorly integrated in sectoral and development policies; capacities for planning and policy development, vulnerability assessment and development of adaptation measures are weak, awareness of decision makers on climate change is rather low.

Therefore, development of database based on available historical climate data for the last century and climate change scenario for S&M will be the most important tasks of the INC. Identification of more realistic scenario using RCM and IPCC TAR is planned within the INC.

In the framework of the Global Climate Observing System (GCOS) Regional Action Planning for Eastern and Central Europe the Capacity building activity is envisaged related to improving knowledge of regional downscaling techniques that are today state of the art in the field. Specifically, the regional project is planned entitled "Capacity Building in Regional Downscaling and Modeling – A Proposal for an International Workshop". The host of the future workshop is the Republic Hydrometeorological Service of Serbia. It is foreseen that the improved knowledge of the contemporary downscaling techniques will contribute to better understand and project the regional climatic detail which is necessary for impact assessment studies under the INC. Building capacities for regional downscaling and modelling is a high priority for hydroemeteorological services in both, Republic of Serbia and Republic of Montenegro.

Along with the climate scenarios, the socio-economic scenarios should be developed before any assessment of vulnerability of different sectors/systems is done. On the basis of climate change future trends in both, Republic of Serbia and Republic of Montenegro, the vulnerability assessment will be carried out for Agriculture and Forestry, Water resources, the Adriatic Coastal Zone, Natural ecosystems, and Human health.

Elaboration of adaptation measures should be the next step after comprehensive assessment of vulnerability revealing the most vulnerable systems and regions in both, Republic of Serbia and Republic of Montenegro.

Preparation of adaptation measures including examination of possible impacts of climate change on S&M territory and identifications of particularly vulnerable regions towards this change, together with elaboration of different options of adaptation policies is planned under the INC. Integration of climate change and in particular adaptation measures in the national development programmes such as PRSPs, MDGs, environmental and sectoral strategies will be an important task. Therefore, the ways and means for effective integration of adaptation measures into development and sectoral strategies should be elaborated and procedural and methodological means developed and agreed. Coordination among relevant Ministries and Agencies during the preparation of adaptation measures will ensure the maximum participation of stakeholders and transparency of the process.

Lack of national experts with appropriate experience for developing the adaptation policy framework is considered as the main barrier. For that reason, the role of the National Communications Support Unit is vital for preparation the INC.

#### ***Activities:***

- 3.1. Collect the data and develop the climate databases;
- 3.2. Assess climate variability and extreme events (droughts, floods, etc);
- 3.3. Select appropriate methods and approaches for development of climate change scenarios;
- 3.4. Develop climate change scenarios for both, Republic of Serbia and Republic of Montenegro;
- 3.5. Develop socio-economic scenarios considering the regional, national, and local parameters, priorities and programmes;
- 3.6. Assess vulnerability of Agriculture and Forestry, Water resources, the Adriatic Coastal Zone, Natural ecosystems and Human health;
- 3.7. An analysis of potential options for and elaboration of adaptation measures for all vulnerable sectors/systems (agriculture, water resources, forestry and natural ecosystems, the Adriatic sea coastal zone, human health) in key vulnerable areas;
- 3.8. Assess capacity for implementation of adaptation measures;
- 3.9. Provide stakeholder engagement in the adaptation process promotion;
- 3.10. Identify ways and means for effective integration of adaptation measures into development and sectoral strategies of both, Republic of Serbia and Republic of Montenegro; prepare adaptation and vulnerability reports and produce adequate books and popular booklets;
- 3.11. Raise awareness among the policy and decision makers.

#### **Methodologies**

All available climate data will be gathered and studied. Frequencies of climate extremes for targeted areas and sectors will be collected, digitalized, and analyzed.

With regard to climate change scenarios development for specific regions in both, Republic of Serbia and Republic of Montenegro, one of the available Regional climate modeling (RCM) systems (which provides regional/local climate for impact studies) will be applied. In this context, application of



methodologies described in the workbook prepared by UNDP/GEF NCSP (National Communications Support Programme) is planned for selection of the most realistic climate change scenarios for S&M. Socio-economic scenarios as an important element for assessing Vulnerability and Adaptation will be developed taking into consideration regional, national and local circumstances and development priorities. The IPCC Special Report on Emission Scenarios and a handbook developed by UNDP/GEF NCSU interpreting storylines and giving various recommendations will be used as a guidebook in developing socio-economic scenarios.

In addition, the IPCC Technical Guidelines for Assessing Climate Change Impacts and Adaptations, the UNEP Handbook on Methods for Climate Change Impact Assessment and Adaptation Strategies, the International Handbook on Vulnerability and Adaptation Assessments, and Compendium of Decision Tools to Evaluate Strategies for Adaptation to Climate Change are considered as principal manuals in the preparation of this INC section.

Methodologies and tools offered by User's Guidebook on Adaptation Policy Framework (APF) and nine Technical Papers provide flexible approach to developing adaptation strategies, policies, and measures and will be applied taking into consideration the country's specific conditions.

#### **4. Programmes containing measures to mitigate climate change**

##### *Gaps and priorities for INC*

Although the issues related to climate change are conceptually reflected in both, Serbia's and Montenegro's environmental strategies and policies, this does not guarantee a full-fledged mainstreaming of the climate change into these and other relevant strategic documents. On the contrary, it can be said that climate change consideration are yet poorly integrated in sectoral policies; capacities for planning and policy development, vulnerability assessment and development of mitigation and adaptation measures are weak, awareness of decision-makers on climate change is low.

In addition, unavailability of reliable data and inadequate presence of climate change considerations in the existing energy and forestry strategies, as well as absence of emissions trend projections are considered as the main barriers to the elaboration of successful, cost-effective measures for climate change mitigation policy. Lack of technical assistance and qualified staff contributes to such a difficult situation, which was recently alleviated to some extent through the program of the above-mentioned bilateral technical assistance with the Government of Italy.

Opportunities for both reduction of GHG emissions from different economic sectors and for increasing removals by sinks will be considered during the INC preparation. Focus will be put on potentials of utilizing abundant renewable resources existent in S&M (hydro, wind, solar, biomass, and other) and the cost of effective means of addressing low energy efficiency inherited from the previous centrally planned economy.

With regard to the mitigation measures, the key sectors of economy will be assessed in the INC. Special attention will be paid to afforestation/reforestation options as well. INC will contribute to the formulation of improved sectoral strategies for energy and forestry and transport sectors. Particular attention will be paid on technology needs for mitigation.

##### *Activities:*

- 4.1. Identify priority sectors for abatement analysis taking into consideration the results of GHG key source analysis, sectoral and national strategies and priorities;
- 4.2. Establish database systems for each priority area and for the general macroeconomic parameters of the country;

- 4.3. Select methodology (existing models, expert judgment) and level of details for GHG projection for each sector, and conduct uncertainties;
- 4.4. Examine the capacity of different options to abate the increase in GHG emissions and to enhance removals by sinks;
- 4.5. Elaborate GHG mitigation measures for priority sectors (energy, transport, industry), assess feasibility of their implementation and facilitate integration of these activities into relevant programmes (such as PRSPs, MDGs, environmental and sectoral strategies etc.);
- 4.6. Prepare mitigation report;
- 4.7. Assess financial barriers for each priority sector and identify the ways to overcome them;
- 4.8. Develop national action plan for climate change mitigation measures;
- 4.9. Raise awareness on climate change mitigation among decision-makers.

### **Methodology**

IPCC third assessment report will be used as a guideline methodology for development of socio-economic scenarios and planning of measures to mitigate climate change.

In addition, Long-range Energy Alternatives Planning system (LEAP), Energy and Power Evaluation Program (ENPEP) and other accessible software will be applied to S&M's circumstances and used for GHG future trends projections at national, sectoral and source levels, taking into account availability of national data.

## **5. Other information considered relevant to the achievement of the objective of the Convention**

### *Gaps and priorities for INC*

Unavailability of financial resources and absence of systematic approach are considered as the main barriers to strengthen capacity and ensure sustainability of implementation of various programmes related to climate change. Therefore, 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 priority areas in both, Republic of Serbia and Republic of Montenegro. The detailed assessments related to these priorities will be launched during the INC preparation.

### ***Activities:***

- 5.1. Assess technology needs for mitigation and adaptation, and identify possibilities for transfer of technologies;
- 5.2. Review the national plans and programmes on systematic observation and improving climate research and forecasting capacities;
- 5.3. Identify gaps, needs and priorities for education, training and public awareness on climate change;
- 5.4. Preparation of operational public information programs;
- 5.5. National Climate Website construction and establishing of information network;
- 5.6. Provide information on capacity-building activities in accordance with the decision 2/CP.7.

### **Methodology**

Study of national and regional institutional frameworks and programmes related to climate change will be conducted. In this context, relevant information will be collected through close cooperation with different governmental institutions, agencies, academia, NGOs and individual interviews.

## **6. Constraints and gaps, and related financial, technical and capacity needs**

National institutional arrangements for initiation and coordination of activities for implementation of the UNFCCC, coordinated by S&M UNFCCC National Focal Point, are generally functioning. The main difficulties in fulfilling the Convention commitments are linked to funding issues, institutional and human resources capacity constrains. Therefore the detailed capacity needs assessment is necessary. In the frame of the GEF Enabling Activity Project “Serbia and Montenegro National Capacity Self Assessment” Governments of the Republic of Serbia and of the Republic of Montenegro have received financial support to conduct capacity self assessment for Global Environment Management (needs for the implementation of the three UN Conventions - biodiversity, desertification and climate change). The two projects will closely cooperate, especially in relation to this particular output.

### ***Activities:***

- 6.1. Provide information on financial, technical and capacity needs and constraints associated with the implementation of the Convention under articles 4 (obligations) and 12 (Communication and information related to implementation).
- 6.2. Provide the list of adaptation measures and list of projects for financing focusing on barriers and ways to overcome these barriers;
- 6.3. Provide the list of GHG mitigation measures and list of projects for financing focusing on barriers and ways to overcome these barriers;
- 6.4. Provide information on in-kind contribution made available by Republic of Serbia and by Republic of Montenegro for the preparation of the INC;
- 6.5. Provide information on technology and local know-how development needs;
- 6.6. Provide information on development and enhancement of local capacities.

### **Methodology**

Study of financial, technical and capacity needs and constraints of institutions responsible for activities related to climate change will be conducted through collection, synthesis and analysis of existing information, individual interviews or group discussions, site visits, etc.

## **5. Institutional Framework for project Implementation**

The Ministry of Science and Environmental Protection of Serbia (MSEP) and the Ministry of Environmental Protection and Physical Planning of Montenegro will serve as Executing Agencies of the project at the level of republics. The MSEP acts as the National Focal Point of S&M for the UNFCCC. Upon the approval of the Project the two ministries may designate other relevant local executive agency, as appropriate. The local Executing agencies role consists of co-ordinating funds, providing guidance and technical expertise, and undertaking monitoring and evaluation. The local Executive agencies will be assisted by a number of governmental and R/D institutions, non-governmental organizations, industry, and private consultant firms from Serbia and Montenegro. Strong emphasis will be put on diverse sector, stakeholders and civil society involvement during the project implementation. In this way, national potential will be mobilised to the greatest possible extent, and opportunities created for capacity building and institutional strengthening.

In order to facilitate co-ordination, participation as well as an uptake of the results of the project, a Project Steering Committee (PSC) will be established. The PSC will provide general guidance and supervision of the project. The composition of PSC is as follows:

Ministry for Science and Environment (Republic of Serbia), as a UNFCCC NFP for S&M;  
Ministry of Environmental Protection and Physical Planning (Republic of Montenegro);  
Ministry of Foreign Affairs of the State Union  
Ministry of Energy and Mining (Republic of Serbia)  
Ministry of Economy (Republic of Montenegro)  
Ministry of Agriculture, Forestry and Water Management (Republic of Serbia)  
Ministry of Agriculture, Forestry and Water Management (Republic of Montenegro)  
University of Belgrade  
University of Montenegro;  
The Republic Hydrometeorological Service of Serbia;  
The Hydrometeorological Service of Montenegro,  
Academies of Sciences (Republic of Serbia and Republic of Montenegro);  
NGOs (Republic of Serbia and Republic of Montenegro);

UNDP

National Project Co-Managers

The Project Steering Committee will oversee the work of the local Executive agencies and the project team. The PSC will review, comment and approve the work-plan, project reports and successive drafts of the INC.

Project activities that are, according to the existing legislation, responsibilities of the Republic of Serbia and the Republic of Montenegro, such as green house gasses inventories, mitigation options and Vulnerability & Adaptation assessment, will be implemented through sub-contracts. Also, the activities, which require expertise not available at local Executive agencies, will be implemented through sub-contracts. Submitted bids will be reviewed and evaluated, and contracts awarded based on the standard UNDP/GEF procedures. The project team (consisting of the two management teams in both, Republic of Serbia and Republic of Montenegro) and The Project Steering Committee will review the draft National Communication, while Executing Agencies will submit it to the Governments of the Republic of Serbia and the Republic of Montenegro for final approval. The Project Steering Committee shall meet at least two times a year.

Day-to-day coordination will be done through project management teams, comprised of two National Project Co-Managers and project team leaders from the Republic of Serbia and the Republic of Montenegro (team leaders will be appointed for GHG Inventories, Vulnerability&Adaptation and Mitigation). They will jointly provide for planning and managing of project activities. Members of the project management teams will be recruited based on standard UNDP/GEF procedures (Terms of Reference are included in Appendix C). Additional experts will be hired through sub-contracts, as needed. In order to ensure sustainability of the process and carry over the achieved results, national experts participating in stakeholder consultations, self-assessment exercise and related activities will be encouraged to participate along with new experts recruited on the transparent and competitive basis.

UNDP Serbia and Montenegro will monitor and support implementation of the project in line with standard UNDP procedures.

## **6. Assessing project impact**

The project will help the country in meeting its obligations to the UNFCCC. It will generate, analyze and communicate information relevant for the preparation and submission of S&M's Initial National Communication, including compilation of a national greenhouse gas inventory, vulnerability assessment, mitigation and adaptation option analysis and other information relevant for the National Communication in both S&M member states.

The project has significant environmental implication for the country such as the formulation of policy framework for integrating climate change concerns into planning and development of programs/policies related to sustainable development, adaptation measure and response strategies for impacts. Other important considerations include project's sustainability and capacity building of the ministries and other governmental bodies, research institutions and agencies involved in addressing climate change issues. Special emphasis will be placed on the sustainability of preparing national GHG inventories and monitoring of climate change impacts in different sectors. To the extent possible, permanent mechanisms to update the inventory and different studies will be established.

The project will provide the initial thrust for addressing areas of national concerns likely to arise due to climate change such as food security, water resources and forestry management for vulnerability assessment and adaptation measures.

Capacity building and networking of national institutions and agencies will be undertaken through consultative meetings, planning and training workshops. This project will expose policy-makers, planners and researchers to participatory approaches for developing linkages of climate change and development.

Apart from the preparation of the national communication, the project is expected to strengthen information exchange, dialogue and co-operation among relevant stakeholders, including governmental, NGO, academic and private sectors.

The following indicators should be considered for the project impact assessment: sustainability and continuity of preparation of national GHG inventories, monitoring of climate change and its impact, consistency of adaptation and mitigation measures with the national and regional priorities and programmes, raised awareness among decision makers and general public, establishment and updating of a roster of experts etc.

As a result of project activities, the S&M's INC will be prepared for submission to UNFCCC/ COP.

## 7. Detailed Work plan

Outputs/activities	Year 1				Year 2				Year 3			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
<b>Outputs 1. National circumstances</b>												
<i>Activity 1.</i> Preparation and analysis of information related to S&M's national circumstances, i.e. Serbia's and Montenegro's geography, climate, natural resources and socio/economic conditions which may affect country's ability to deal with mitigation and adaptation to climate change;												
<i>Activity 2.</i> Analysis of specific needs and concerns arising from the adverse effects of climate change, national development objectives, priorities, circumstances and programmes;												
<b>Outputs 2. Greenhouse gas inventory</b>												
<i>Activity 1.</i> Identify sources of activity data for key category and priority sectors covered by the INC, including new gases;												
<i>Activity 2.</i> Gathering data on anthropogenic emissions GHG for key source categories and priority sectors;												
<i>Activity 3.</i> Assess possibilities for inventory of new gases;												
<i>Activity 4.</i> Assess applicability of IPCC'96 default emission factors for key source categories where appropriate;												
<i>Activity 5.</i> Preparation of the GHG inventory for all sectors and all gases considered in IPCC'96 guideline for the year 1990;												
<i>Activity 6.</i> Training workshops (with wide local participation and international partners) for Sectors of interest including instruction courses in the OECD/IPCC inventory software;												
<i>Activity 7.</i> Raise public awareness among the decision makers at data source institution.												

<b>Outputs 3. Programmes containing measures to facilitate adequate adaptation to climate change</b>												
<i>Activity 1.</i> Climate database development;												
<i>Activity 2.</i> Assess climate variability and extreme events (droughts, floods, etc);												
<i>Activity 3.</i> Select appropriate methods and approaches for development of climate change scenario;												
<i>Activity 4.</i> Develop climate change scenarios for both, Republic of Serbia and Republic of Montenegro;												
<i>Activity 5.</i> Develop socio-economic scenarios considering the regional, national, and local parameters, priorities and programmes;												
<i>Activity 6.</i> Assess vulnerability of Agriculture and Forestry, Water resources, the Adriatic Coastal Zone, Natural ecosystems and human health for areas that are most critical;												
<i>Activity 7.</i> An analysis of potential options and elaboration of adaptation measures for all vulnerable sectors/systems (agriculture, water resources, forestry and natural ecosystems, the Adriatic sea costal zone, human health) in key vulnerable area;												
<i>Activity 8.</i> Assess capacity for implementation of adaptation measures;												
<i>Activity 9.</i> Provide stakeholder engagement in the adaptation process promotion;												
<i>Activity 10.</i> Identify ways and means for effective integration of adaptation measures into development and sectoral strategies of both, Republic of Serbia and Republic of Montenegro;												
<i>Activity 11.</i> Prepare adaptation and vulnerability report and produce adequate books and popular booklets;												
<i>Activity 12.</i> Rise awareness among the policy and decision makers,												

<b>Outputs 4. Programmes containing measures to mitigate climate change</b>												
<i>Activity 1.</i> Identify priority sectors for abatement analysis taking into consideration the results of GHG key Source analysis, sectoral and national strategies and priorities;												
<i>Activity 2.</i> Establish database systems for each priority area and for the general macroeconomic parameters of the country;												
<i>Activity 3.</i> Select methodology (existing models, expert judgment) and level of detail for GHG projection for each sector, and conduct uncertainties;												
<i>Activity 4.</i> An analysis of potential options to abate the increase in GHG emissions and to enhance removals by sinks;												
<i>Activity 5.</i> Elaborate GHG mitigation measures for priority sectors (energy, transport, industry), assess feasibility of their implementation and facilitate integration of these activities in relevant programmes;												
<i>Activity 6.</i> Prepare mitigation report												
<i>Activity 7.</i> Assess financial barriers for each priority sector and identify the ways to overcome them;												
<i>Activity 8.</i> Develop national action plan for climate change mitigation measures												
<i>Activity 9.</i> Raise awareness on climate change mitigation among decision-makers.												
<b>Outputs 5. Other information considered relevant to the achievement of the objective of the Convention</b>												
<i>Activity 1.</i> Assess technology needs for mitigation and adaptation and identify possibilities for transfer of technologies;												
<i>Activity 2.</i> Review the national plans and programmes on systematic observation and improving climate research and forecasting capacities;												



<i>Activity 3.</i> Identify gaps, needs and priorities for education, training and public awareness on climate change;												
<i>Activity 4.</i> Preparation of operational public information programs;												
<i>Activity 5.</i> National Climate Website construction and information network establishing;												
<i>Activity 6.</i> Provide information on capacity building activities in accordance with the decision 2/CP.7.												
<b>Outputs 6. Constraints and gaps, and related financial, technical and capacity needs</b>												
<i>Activity 1.</i> Provide information on financial, technical and capacity needs and constraints associated with the implementation of the Convention under articles 4 (obligations) and 12 (Communication and information related to implementation).												
<i>Activity 2.</i> Provide the list of adaptation measures and list of projects for financing focusing on barriers and ways to overcome these barriers;												
<i>Activity 3.</i> Provide the list of GHG mitigation measures and list of projects for financing focusing on barriers and ways to overcome these barriers;												
<i>Activity 4.</i> Provide information on in-kind contribution made available by Republic of Serbia and by Republic of Montenegro for the preparation of the INC												
<i>Activity 5.</i> Provide information on technology and local know-how development needs;												
<i>Activity 6.</i> Provide information on development and enhancement of local capacities.												
<b>Preparation and submission of the INC</b>												

**Note:** For detailed guidance on the content for each section above, please refer to the document “Appendix B: Guidance for the preparation of the technical components of project proposals for second national communications”

## Appendix C: Terms of Reference

- Include terms of reference for staff, contracts, co-operation agreements, as appropriate,

### TERMS OF REFERENCE

#### 1. National Project Co – Managers (2xNPCM)

##### Duties:

In consultation with respective Executing Agency the NPCM will be fully responsible for the day-to-day management, coordination and supervision of the implementation of the project. In specific, his/her responsibilities are:

- To prepare a detailed work plan for the project and draft terms of reference for the subcontracts (in consultation with respective Executing Agency and UNDP);
- To organize and supervise the workshops needed and training during the project;
- To identify and hire/subcontract the national expert and institutions (in consultation with respective Executing Agency and UNDP);
- To collaborate with the relevant ministries, national and international research institutes, NGOs, and other relevant institutions in order to involve their staff in project activities, and to gather and disseminate information relevant to the project;
- To prepare periodic progress reports of the project;
- To control the expenditures and to ensure an adequate management of the resources provided for the project;
- To finalize the Initial National Communication together with the government personnel and the national experts;
- To initiate and mobilize resources for the potential follow-up activities.

##### Qualifications:

- An advanced degree and research experience in climate change, energy or environmental management;
- A minimum of 10 years of working experience in the area relevant to project;
- A demonstrated ability in managing projects, and in collaborating and cooperating with all project personnel including government official, scientific institutions, NGOs and private sector;
- Ability to speak, read and write in English.

#### 2. Administrative Assistant

Two national consultants will be hired (part-time) to assist the NPCMs and PC in carrying out their duties.

##### Duties:

- To assist the NPCMs and PC in having an overall control of the execution and expenditures of the project;
- To organize the office work, and to schedule and control the contacts and meetings of all institutions/experts involved;
- To assist the NPCMs and PC in preparing and translating documents and reports related to the project.

#### Qualifications:

- Familiarity with accounting and management of the budgets;
- Good communication and presentation skills;
- Good computer skills, especially with word processing;
- Excellent English.

#### **Terms of Reference for the Climate Change Project Steering Committee**

In order to ensure a successful implementation of the UNDP-GEF climate change projects, the Ministry of Science and Environmental Protection of Republic of Serbia, acting as a UNFCCC focal point Ministry, and the Ministry of Environment and Physical Planning Protection, Republic of Montenegro as the Executive Agencies of this Project, will agree on establishment of the Climate Change Project Steering Committee (PSC), to be chaired by the National Focal Point to UNFCCC and composed of senior officials coming from the relevant ministries of Serbia and of Montenegro, research institutes, UNDP, NGOs, private sector, media and academia.

The duties and operating rules of the above PSC are as following:

- PSC provide assistance and support to the UNFCCC National Focal Point, National Project Managers and national experts and counterparts during the implementation process of all project activities.
- PSC will oversee monitoring and evaluation of the project, and make necessary comments on all draft documents prepared by the national climate change team;
- PSC regularly receives information on the status of the implementation of the project activities and problems encountered;
- PSC meets not less than three times during the project lifetime. In special cases the PSC shall meet upon the initiative of the UNFCCC National Focal Point;
- PSC will operate on the basis of consensus in accordance with its Rules of Procedure agreed on its first session;
- PSC ensures that climate change concerns are integrated into development strategies and plans;
- PSC provides an input for the Government's negotiating position and strategy for the meetings of the Conference of the Parties to the UNFCCC;
- PSC reviews and validates the various components of the initial National Communication.

#### **Terms of Reference for Project Coordinator**

The Project Coordinator is the overall project coordinator for this UNDP/GEF-funded technical cooperation project. Her/his primary function is to supervise the tasks of the Project Managers appointed by each republic, backstop the project, ensure compliance with monitoring and auditing requirements, ensure transparency and accountability.

#### **Duties and Responsibilities**

1. Act as the focal point and overall responsible and accountable party for project management;
2. Coordinate, as necessary, the work of the Republic Project Managers and the thematic areas;
3. Approval of payments of project funds according to UNDP procedures in the official manual;
4. Representing the project at high level meetings as required;
5. Ensure transparency and accountability of project funds;
6. Ultimate responsible for delivering of outputs in accordance with international standards and as described in this project document;

7. Contribute to the project within his/her own field of specialization and collaborate with the Project Managers and the Steering Committee, including preparation of relevant papers;
8. Perform any other functions that may be required for the proper implementation of the project.

### **Terms of Reference for Team Leader in Climate Change GHG National Inventory Initial National Communication of Serbia and Montenegro to the UNFCCC**

The objective of the GHG inventory of the INC is to conduct the inventory of all greenhouse gases considered by Convention and all economic sectors existing in both, Republic of Serbia and Republic of Montenegro. As a result of these activities National Inventory Report and Initial National Communication of S&M will be prepared and submitted to the COP.

The GHG inventory team leaders for the Republic of Serbia and the Republic of Montenegro should work in consultation with and under the guidance and supervision of the National Project Co-Managers.

#### **Main duties:**

- Invite the experts and set up the composition of GHG inventory team on the basis of the previous tender and roster of experts established during the stocktaking exercise;
- Develop the scope of work and respective terms of reference for the team members (national experts);
- Lead the team to conduct the GHG national inventory;
- Ensure the timely and effective management of the activities as scheduled;
- In consultation with NPCMs select and implement the methodologies for the conducting of GHG inventory;
- Identify the gaps and key sectors for GHG inventory;
- Organize the scheduled consultations/workshops and ensure their success;
- Produce the National Inventory Report in accordance with IPCC methodology and UNFCCC reporting formats;

#### **Qualifications and experience:**

- An advanced degree in energy, environmental management or other field relevant to the project;
- A minimum of 7 years of working experience in the area relevant to project;
- Good understanding of GHG inventory process and knowledge of IPCC methodology;
- A demonstrated ability in managing projects, and in collaborating and cooperating with all project personnel including government official, scientific institutions, NGOs and private sector;
- Familiarity with computers and word processing;
- Ability to speak read and write in English.

### **Terms of Reference for Team Leader in Climate Change-Vulnerability and Adaptation Initial National Communication of Serbia and Montenegro to the UNFCCC**

The objective of the V&A section of the INC is to assess the climate change impact on vulnerable systems and to set out a plan of adaptation measures. As a result of these activities Initial National Communication of S&M will be prepared and submitted to the COP.

The V&A team leaders in the Republic of Serbia and the Republic of Montenegro should work in consultation with and under the guidance and supervision of the National Project Co-Managers.

#### **Main duties:**

- Invite the experts and set up the composition of V&A team on the basis of the previous tender and roster of experts established during the stocktaking exercise;
- Develop the scope of work and respective terms of reference for the team members (national experts);
- Lead the team to conduct the assessment of vulnerability and planning the adaptation measures, promote integration of adaptation measures in sectoral and national plans;
- Ensure the timely and effective management of the activities as scheduled;
- In consultation with NPCMs select and implement the methodologies for the assessment of vulnerability of natural and humane systems and elaboration of adaptation measures;
- Identify the gaps and key sectors for adaptation;
- Organize the scheduled consultations/workshops and ensure their success;
- Produce the report of the results of V&A activities;

Qualifications and experience:

- An advanced degree in climate change, environmental management or other field relevant to the project;
- A minimum of 7 years of working experience in the area relevant to project;
- Good understanding of climate change and knowledge of impacts;
- A demonstrated ability in managing projects, and in collaborating and cooperating with all project personnel including government official, scientific institutions, NGOs and private sector;
- Familiarity with computers and word processing;
- Ability to speak read and write in English.

**Terms of Reference for Team Leader in Climate Change-GHG Abatement Measures Initial National Communication of Serbia and Montenegro to the UNFCCC**

The objective of the GHG abatement section of the INC is to assess the potential of GHG abatement, investigate the renewable resources, economical potential and barriers to energy efficiency, capacity building for technology transfer process and integration of abatement measures in sectoral and national strategy. As a result of these activities Initial National Communication of S&M will be prepared and submitted to the COP.

The GHG abatement team leaders in the Republic of Serbia and the Republic of Montenegro should work in consultation with and under the guidance and supervision of the Project Co-Managers.

Main duties:

- Invite the experts and set up the composition of GHG mitigation team on the basis of the previous tender and roster of experts established during the stocktaking exercise;
- Develop the scope of work and respective terms of reference for the team members (national experts);
- Lead the team to conduct the GHG projection and plan mitigation measures;
- Ensure the timely and effective management of the activities as scheduled;
- Identify the gaps and priority area for mitigation measures preparation;
- Organize the scheduled consultations/workshops and ensure their success;
- Produce the report of the results of GHG mitigation assessment.

### Qualifications and experience:

- An advanced degree in energy, environmental management or other field relevant to the project;
- A minimum of 7 years of working experience in the area relevant to project;
- Good understanding of climate change and knowledge of sustainable development issues;
- A demonstrated ability in managing projects, and in collaborating and cooperating with all project personnel including government official, scientific institutions, NGOs and private sector;
- Familiarity with computers and word processing;
- Ability to speak read and write in English.

### **Generic terms of reference for scoping and implementing the V&A component of the National Communication**

These generic terms of reference for the preparation of the V&A studies identify the basic set of activities that the V&A expert/consultant will be responsible for under the supervision of the National Communication's Coordinator. It is important to note that these generic terms of reference do not intend to limit the work of the expert but to guide countries on the general profile of the V&A expert and on the activities generally expected to be carried out.

#### **Profile of the V&A expert/consultant**

The V&A expert should be very knowledgeable and with hands-on experiences on V&A issues, have a solid understanding of the gaps and needs for developing/improving vulnerability assessments, and have technical expertise in the formulation of adaptation options. The V&A expert should be able to scope technical studies in the V&A area and design an implementation strategy to carry out the different V&A activities within the framework of the NC. He/She should also have a solid understanding of the institutional arrangements and resources required to carry out the V&A work.

Although the NC project document already provides the framework for the V&A studies, the expert should be able to advise on any adjustments if needed, both at the organizational and technical levels, for a successful implementation of the V&A studies.

#### **Activities**

In general, the V&A expert/consultant should be responsible for ensuring that the following set of activities is carried out. Emphasis on different activities will depend on the scope of the work already described in the NC project document and/or on the specific activities the V&A expert would be assigned to.

#### **Policy and institutional issues**

1. Identify the key policy issues the V&A study of the SNC project aims to address, e.g.,
  - a. to scope the scale of risks associated with projected climate change;
  - b. to aid in the identification of priorities for adaptation;
  - c. to support the development of a national adaptation strategy.
2. Identify the expected output of the V&A study of the SNC project on the basis of the project document, e.g.,
  - a. impacts assessment at the sectoral level for the given priorities identified in the project document;
  - b. a national adaptation strategy, including policies, programs and projects.

3. Develop a clear strategy to link the V&A outputs to national development planning. This would include, among others:
  - a. assessment of institutional arrangements/stakeholders engagement required to facilitate linking the outcome of the V&A studies to sectoral or national planning;
  - b. framework for assessing how the above linkage can be monitored and measured in the short and long terms, for instance through the development of practical indicators.

### **Technical issues**

#### ***Scope of the V&A study***

4. Elaborate on the scope (geographic, thematic, sectoral coverage, time horizon) of the V&A study, e.g.,
  - a. designing a strategy to build on but advance what was done within INC, and while applicable, NAPA project;
  - b. elaborating on the scope of studies to address sectors/regions not covered by INC, sectors/regions identified as sensitive/vulnerable to climate change, as per the NC project proposal;
  - c. preparing a detailed workplan for each of the study to be carried out, including a strategy to involve the relevant stakeholders, timeline, etc.;
  - d. designing a strategy, as applicable, to link the V&A studies with previous and ongoing related projects/activities (e.g., land degradation, biodiversity, international waters.)

#### ***Methodological framework***

5. Elaborate on the overall methodological framework for the V&A study as per the project document and in consultation with the project coordinator. In doing so, the V&A expert should ensure that:
  - a. The proposed methodological framework is the most appropriate given the policy questions to be addressed, the characteristics of the study (e.g., sectoral focus, spatial and temporal scales, stakeholders involved, and data requirement, etc.), and data availability;
  - b. In-country expertise required for such a methodological framework is available. If needed, the V&A expert should develop a strategy to address technical capacity gaps. For instance, by exploring the possibility of applying another framework in which more in-country expertise exists, or by designing a training/technical backstopping strategy, etc.

#### ***Scenarios development***

6. Identify the types of scenarios required to conduct the V&A assessment, e.g., climate, socio-economic, sea level, adaptive capacity, technology, land-use land-cover.
7. Identify the temporal and spatial resolution needed for these scenarios (e.g., national, sub-national, watershed, community, farm level, multi-decadal average, annual, monthly, daily, mean conditions, extreme events, etc.). In doing so, the expert should justify the choices.
8. Develop the strategies for developing such scenarios, e.g., model-based, expert judgment, etc.

In the preparation of the scenarios development strategy, the expert should assess the feasibility of the scenario needs and the methods for developing these scenarios, given the characteristics of the studies, and data availability. For instance, the expert would be expected to advice on alternative options to running regional climate models or other resource intensive and time consuming exercises.

The V&A expert would also assess whether there is enough in-country expertise to develop such scenarios and/or identify options to address the needs for additional expertise.

***Sectoral assessment (to be considered by each of the sectors to be covered in the V&A study)***

9. Elaborate on the methods and tools, as per the project document, chosen to undertake sectoral assessments, e.g., numerical models, elicitation of expert views, stakeholder consultations, focus groups, etc. In doing so, the expert will advise on any adjustments needed to the options identified in the project document.
10. Provide justifications for the selection of the methods/tools considering the research questions, characteristics of the study, and requirements of data and technical expertise of these methods/tools.
11. Assess in-country expertise required to apply the selected methods/tools and prepare training/technical backstopping strategy as required.
12. Develop a strategy to integrate findings from sectoral assessment, as needed. For instance, by applying an integrated model, synthesizing sectoral information, etc.

**Technical assistance needs**

13. Develop a technical backstopping/training strategy to strengthen the national capacity needed to carry out the different V&A studies. This would include details on the type of support needed (training courses on particular methodological frameworks/tools, guidance material, technical documents and good practice) and the timeline for such support.



## **Appendix D: List of References**

### 1. Reference Reports and Publications

- 1.1. The National Strategy of Serbia for Serbia and Montenegro Accession to EU, 2005;
- 1.2. The National Environmental Action Plan for Serbia (NEAP-DRAFT), 2005;
- 1.3. Strategija razvoja energetike Republike Srbije do 2015, 2005;
- 1.4. National Energy Policy for Montenegro, 2005
- 1.5. Energy Efficiency Strategy for Montenegro, 2005
- 1.6. Report on the Implementation of Millenium Development Goals in Montenegro, 2005
- 1.7. National Waste Management Strategy for Montenegro, 2005
- 1.8. IEA (International Energy Agency) 2004; CO2 Emissions from Fuel Combustion (1971-2003), Paris, 2005;
- 1.9. Action plan for the implementation of the European Partnership recommendations, Government of the Republic of Montenegro, 2004
- 1.10. Medium-term Modernization Programme of the Republic Hydrometeorological Service of the Republic of Serbia for the period 2005-2008, 2004;
- 1.11. Poverty Reduction Strategy Paper for Serbia, 2003;
- 1.12. Poverty Reduction Strategy Paper for Montenegro, 2003
- 1.13. Millennium Development Goals in Serbia, 2003;
- 1.14. FAO(2003) World Agriculture: towards 2015/2030/an FAO perspective; FAO and Earthscan, Lndon;
- 1.15. Serbia and Montenegro's National Assesment Report on Sustainable Development for the World Summit on Sustainable Development Johannesburg in 2002,
- 1.16. Agenda of Economoc Reforms, Governmnt of the Republic of Montenegro, 2002 (review in 2005)
- 1.17. European Climate Change Programme (ECCP), <http://www.europa.eu.int>;
- 1.18. Environmental Preformance Reviews-Yugoslavia, EN. Eirope Commission for Europe, Committee on Environmental Policy, 2002;
- 1.19. European Transport policy for 2010:time to decide, COP(2001)final;
- 1.20. Development Directions of the Republic of Montenegro as an Ecological State, 2001
- 1.21. UNFCCC Guidelines for the preparation of the national communications from parties not included in Annex I to the Convention, Decision 17/CP.8, COP8;

- 1.22. IPCC Third Assessment Report – Climate Change 2001, Cambridge Univ. press;
- 1.23. IPCC (2001) Impact, Adaptation, Vulnerability- Third Assessment Report: report of working group II, Cambridge Univ. press;
- 1.24. IPCC (2001) Good Practice and Uncertainty Management in National Greenhouse Gas Inventory, Cambridge Univ. press;
- 1.25. IPCC Technical Summary: Climate Change 2001: Mitigation; a Report of Working Group III of the IPCC;
- 1.26. Spasova D., T. Popovic., O. Jovanovic 1997: Semiarid areas appearance on the territory of FR Yugoslavia as a possible consequence of the global climate changes. Proceedings “Drought and Plant production”, Vol1., Agriculture Research Institute, Belgrade Serbia
- 1.27. Dacić, M., 1997: Regional Climate Modeling using Eta Model - Mediterranean Simulation Preliminary Results, Proc. INM/WMO Intl. Symposium on Cyclones and Hazardous Weather in the Mediterranean, Palma de Mallorca, Spain, 14-17 April 1997, pp 577-582.
- 1.28. IPCC 1996 Guidelines for National Greenhouse Gas Inventories, UNEP/WMO;
- 1.29. ECSN (EUROPEAN CLIMATE SUPPORT NETWORK) 1995; Climate of Europe: Recent Variation, Present State and Future Prospects, European Climate Support Network, Nijkerk;
- 1.30. United Nations Framework Conventions on Climate Change (New York, 1992)/Okvirna konvencija UN o promeni klime (“Sl.list SRJ/Medj. Ugovori” br. 2/97);
- 1.31. National Climate Programme (NCP) 1991, SHMZ, Beograd;

## 2. Relevant Projects

- 2.1. Capacity building of Federal Republic of Yugoslavia to deal with Climate Change issues, Development Assistance Committee – DAC Project implemented by the Ministry for the Environment, Physical Planning and Public Works, Greece, and Federal Hydrometeorological Institute, FRY, 2001-2002;
- 2.2. Okvirna strategija Srbije i Crne Gore i Akcioni plan za reagovanje na problem emisija gasova sa efektom staklene bašte, 2005, Regionalni Centar za životnu sredinu za Centralnu i Istočnu Evropu – REC/Japan Special Fund;
- 2.3. Technical Assistance to Serbia and Montenegro for the Signature and Ratification of the Kyoto Protocol and for the Establishment of a System of Renewable Energy Green Certificates, On-going Project financed by the Ministry of Environment and Territory, Republic of Italy;
- 2.4. Environmental Statistics Development In The Balkans 2005-2006, On-going Project financed by Swedish International Development Cooperation Agency – SIDA, implemented by Statistics Sweden.

## 3. Declarations

- Stockholm Declaration on Human Environment (1972)
- Helsinki Declaration on European Security and Cooperation (1975,1980,1986,1988)
- Genoa Declaration on Mediterranean Sea(1985)
- UN/EC Flora Fauna and Living Environment Protection Declaration (1988)
- European Environment a Health Charter(1989)
- Atmospheric Pollution and Climate (Noordwijk)Declaration (1989)
- Euro-Mediterranean Environment Charter(1990)

- UN/EC Sustainable Development (Bergen)Declaration (1990)
- Ozone (Montreal)Protocol (1990)
- New European (Paris)Charter (1990)
- UN/EC Espoo Ministerial Accord(1991)
- OECD Environment and Development Ministerial Policy Accord (1991)
- Rio Declaration on Environment and Development(1992)
- Agenda 21 (1992)
- Declaration on Forestry on Principles(1992)
- OECD Environment Ministers Declaration (1992)
- Cairo Declaration (1992)
- Central Asia and Balkan Republic Environment Ministers Declaration(1994)
- Sofia Ministerial Declaration (1995)
- Barcelona Resolution (1995)
- OECD Environment Ministers Declaration (1996)
- OECD Environment Ministers Declaration (1998)
- United Nations, Climate Change Treaty
- Internationally important Wetlands Convention (RAMSAR)
- World Cultural and Natural Heritage Conservation Convention (PARÍS)
- Natural Landscape Conservation Convention
- Convention on international Trade for Endangered Wild Flora and Fauna Species (CITES)
- Intergovernmental Forestry Panel (IPF), intergovernmental Forestry Forum (IFF), United Nations Forestry Forum (UNFF) Process
- Conservation and Sustainable Management of European Forests Process
- Nearest Process for the Development of Sustainable Forest Management,

#### 4. EU Directive

- DIRECTIVE 2003/87/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC;
- DIRECTIVE 2004/101/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 October 2004 amending Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community, in respect of the Kyoto Protocol's project mechanisms;
- DIRECTIVE 2003/87/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC;
- COMMISSION DECISION of 29/01/2004 establishing guidelines for the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council;
- COMMUNICATION FROM THE COMMISSION on guidance to assist Member States in the implementation of the criteria listed in Annex III to Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC, and on the circumstances under which force majeure is demonstrated;

- DIRECTIVE 2001/77/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 September 2001 on the promotion of electricity produced from renewable energy sources in the internal electricity market

## 5. Relevant Laws and Regulations

- United Nations Framework Convention on Climate Change (New York, 1992)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 2/97;
- Kyoto Protocol (1997)/ratification in governmental procedure;
- The Vienna Convention for the Protection of the Ozone Layer (1985)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 1/90;
- Montreal Protocol on Substances that Deplete the Ozone Layer (1987)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 16/90;
- United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (Paris, 1994)/ ratification in governmental procedure;
- UN Convention on Biological Diversity (1992)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 11/2001;
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (1989)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 2/99;
- Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar, 1971)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 9/1977;
- Convention on the Prohibition of the Development, Production, Stockpiling and use of Chemical Weapons and on their Destruction (Cwc) (1993)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 2/2000;
- Convention on Long-range Transboundary Air Pollution (Geneva Convention – 1979)/ Law on raification: "Official Gazette SRJ – Intl. Agreements " No. 11/86;
- Protocol to the Convention on Long-range Transboundary Air Pollution on Financing of the Cooperative Programme for Monitoring and Evaluation of the Long-range Transmission of Air Pollution in Europe – ratified on the 26 of February, 1987;
- Law on Environmental Protection ("Official Gazette RS", No. 135/04);
- Law on Environmental Impact Assessment ("Official Gazette", No. 135/04);
- Law on Strategic Environmental Impact Assessment ("Official Gazette RS", No. 135/04);
- Law on Integrated Pollution Prevention and Control ("Official Gazette RS", No. 135/04);
- Law on Hydrometeorological activities («Official Gazette SFRJ» No. 18/88 and 63/90)/In preparation new Law on Meteorological and Hydrological activities and environmental monitoring;
- Energy development strategy until 2015, Republic of Serbia (adopted in May 2005);
- Law on Energy (Official Gazette RS No. 84/04);
- Forestry polisy of Serbia (Draft, 2004);
- Law on Planning and Construction ("Official Gazette RM" No.47/2003)
- Law on Forests ("Official Gazette RS", No.46/91, 83/92, 54/93, 67/93 i 48/94, 54/96);
- Declaration on the ecological state of Montenegro ("Official Gazette of the Republic of Montenegro", No. 14/1991")
- Environmental Law (Official Gazette of the R Montenegro, No 12/96, 55/00)
- Law on Air Protection ("Official Gazette SRM" No.14/1980 and 16/1980)
- Regulation on admissible concentrations of harmful substances in the air ("Official Gazette SRM", Nos. 4/82 and 8/82)
- Regulation on analysis methodology, time limits and forms of information for results of monitoring and detecting harmful substances in the air at the sources of pollution ("Official Gazette SRM", no.4/82 and 8/82)

- Decree on sampling spot selection for measuring, expert analysis and determination of the air pollution in the Socialist Republic of Montenegro (“Official Gazette SRM”, no. 6/86)
- Regulation on methodology of testing, time limits and reporting the results obtained in monitoring and identification of the harmful substances in air (“Official Journal of Socialistic Republic of Montenegro”, No. 4/82)
- Rule Book on emission of air polluting substances (“Official Gazette RM”, no.25/2000)
- Regulation on environmental pollution taxes (Official Gazette of RM, No. 26/97, 9/2000, 52/00)
- Law on Agricultural Land ("Official Gazette RM" No.15/1992)
- Regulation on Allowed Quantities of Harmful and Hazardous Materials in Soil and Methods of Control ("Official Gazette RM ", no. 18/97)
- Law on the Protection of Nature ("Official Gazette RM", nos. 36/77, 2/82)
- Law on National Parks ("Official Gazette RM", no. 47/91)
- Energy Law (“Official Gazette RM” no. 39/2003)
- The Law on Spatial Planning and Development ("Official Gazette RM" No./2004)
- The Law on construction of objects ("Official Gazette RM" No.55/2000)
- Law on Strategic Environmental Assessment ("Official Gazette RM" No. 80/2005)
- Law on Environmental Impact Assessment ("Official Gazette RM" No. 80/2005)
- Law on Integrated Pollution Prevention and Control ("Official Gazette RM" No. 80/2005)
- Law on waste management ("Official Gazette RM" No. 80/2005)

**SIGNATURE PAGE**

-----Country: **Serbia and Montenegro**

UNDAF Outcome(s)/Indicator(s) -----  
(Link to UNDAF outcome. If no UNDAF, leave blank)

Expected Outcome(s)/Indicator(s): Strengthened Technical and Institutional Capacity to mainstream climate change concerns in national development planning and policy  
(CP outcomes linked t the SRF/MYFF goal and service line) \_\_\_\_\_

Expected Output(s)/Indicator(s): Initial National Communication  
(CP outcomes linked t the SRF/MYFF goal and service line) \_\_\_\_\_

Implementing partner: Ministry of Science and Environmental Protection in Republic of Serbia-the UNFCCC focal point Ministry/  
(designated institution/Executing agency)

Other Partners: UNDP  
(formerly implementing agencies )

Programme Period: 2007-2009  
Programme Component: Energy and Environment for Sustainable Development  
Project Title: Enabling Activity for the Preparation of Serbia and Montenegro's Initial National Communication to UNFCCC  
PIMS 3329  
Award ID 00046097  
Project ID 00054706  
Project Duration: 3 years  
Management Arrangement: DEX

Budget US\$405,000  
General Management Support Fee (cannot appear in any GEF project, is handled separately)  
  
(Preparation phase  
Allocated resources:  
• Government -----  
• Regular  
• Other  
- Donor-----  
- Donor-----  
- Donor-----  
• In kind contributions 15,000  
Unfunded budget: -----

Name

Date

**Agreed by (Government)** \_\_\_\_\_

**Agreed by (Implementing partner/Executive agency):** \_\_\_\_\_

**Agreed by (UNDP):** \_\_\_\_\_