

# Readiness Proposal

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**With Food and Agriculture Organization of the United Nations (FAO)  
for Republic of Serbia**

29 September 2020



**GREEN  
CLIMATE  
FUND**

# Readiness and Preparatory Support Proposal Template

<b>Programme title:</b>	Strengthening Serbia's capacities for strategic engagement of private sector into climate financing
<b>Country:</b>	Republic of Serbia
<b>National designated authority:</b>	Ministry of Agriculture, Forestry and Water Management of Republic of Serbia
<b>Implementing Institution:</b>	Food and Agriculture Organization of the United Nations (FAO)
<b>Date of first submission:</b>	28 September 2018
<b>Date of current submission / version number</b>	2 September 2020 V.5



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### How to complete this document?

- Please visit the [Empowering Countries](#) page of the GCF website to download the Readiness Guidebook and learn how to access funding under the GCF Readiness and Preparatory Support Programme.
- This document should be completed by National Designated Authorities (NDA) or focal points with support from their Delivery Partners where relevant. Once completed, this document should be submitted to the GCF by the NDA or focal point to [countries@gcfund.org](mailto:countries@gcfund.org).
- Please be concise. If you need to include any additional information, please attach it to the proposal.
- If the Delivery Partner implementing the Readiness support is not a GCF Accredited Entity for project Funding Proposals, please complete the Financial Management Capacity Assessment (FMCA) questionnaire and submit it prior to or with this Readiness proposal. The FMCA is available for download at the [Library](#) page of the GCF website.

### Where to get support?

- If you are not sure how to complete this document, or require support, please send an e-mail to [countries@gcfund.org](mailto:countries@gcfund.org).
- You can also complete as much of this document as you can and then send it to [countries@gcfund.org](mailto:countries@gcfund.org), copying both the Readiness Delivery Partner and the relevant GCF Country Dialogue Specialist and Regional Advisor. Please refer to the [Country Profiles](#) page of the GCF website to identify the relevant GCF Country Dialogue Specialist and Regional Advisor.
- We will get back to you within five (5) working days to acknowledge receipt of your submission and discuss the way forward.

#### Note: Environmental and Social Safeguards and Gender

Throughout this document, when answering questions and providing details, please make sure to pay special attention to environmental, social and gender issues, particularly to the situation of vulnerable populations, including women and men. Please be specific about proposed actions to address these issues. Consult Annex IV of the Readiness Guidebook for more information.

**Please submit the completed form to:**

[countries@gcfund.org](mailto:countries@gcfund.org)

**Please use the following naming convention for the file name:**

“GCF Readiness Proposal-[Country]-[yymmdd]”



1. SUMMARY			
<b>Country submitting the proposal</b>	Country name:	Republic of Serbia	
	Name of institution representing NDA or Focal Point:	Ministry of Agriculture, Forestry and Water Management	
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<b>Date of initial submission</b>	28 September 2018		
<b>Last date of resubmission</b>	30 April 2020	<b>Version number</b>	V.5
<b>Which institution will implement the Readiness and Preparatory Support project?</b>	<input type="checkbox"/> National designated authority <input checked="" type="checkbox"/> Accredited entity <input type="checkbox"/> Delivery partner		
	Name of institution:	Food and Agriculture Organization of the United Nations (FAO)	
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<b>Title of the Readiness support proposal</b>	Strengthening Serbia's capacities for strategic engagement of private sector into climate financing		



<b>Type of Readiness support sought</b>	<p>Please select the relevant GCF Readiness activity area below (click on the box):</p> <ul style="list-style-type: none"><li><input type="checkbox"/> I. Country capacity for engagement with GCF</li><li><input checked="" type="checkbox"/> II. Country programming process</li><li><input checked="" type="checkbox"/> III. Direct access to climate finance</li><li><input checked="" type="checkbox"/> IV. Climate finance accessed</li><li><input type="checkbox"/> V. Formulation of national adaptation planning and/or other adaptation planning processes</li></ul>
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**Brief summary of  
the request**

Serbia is highly exposed and vulnerable to natural hazards as a result of climate change. As stated in the Intended Nationally Determined Contributions (INDCs) the most vulnerable sectors in the Republic of Serbia are agriculture, hydrology, forestry, as well as human health and biodiversity. In parallel Serbia committed itself to the GHG emission reduction of 9.8% until 2030 compared to base-year emissions, which requires significant investments especially in the energy sector that is still state owned. Assessment shows that for the GHG emission reduction will be needed investment of app.10 million EUR up to 2020, that increase on more than 20 million EUR up to 2025.

Thus, in order to reduce risks, losses and damages caused by extreme climate and weather events and reduce GHG emissions, targeted investments, especially from the private sector will be needed. In order to ensure sustainability, strategic engagement of all actors, including private sector is a precondition.

In this context, the Republic of Serbia has identified in its Country Work Programme (until 2025) energy, agriculture, water resources and hydrology and forestry as the priority sectors for cooperation with the Green Climate Fund. Therefore, in order to achieve the goals to raise awareness in the general public, engage with private sector and facilitate direct access, to implement priority investments in the above mentioned sectors, the support of the Green Climate Fund (GCF) under a second Readiness proposal is needed.

This second GCF Readiness and Preparatory Support Programme proposal is based on findings and progress achieved under the first Readiness grant (implemented by UNEP), and will complement the expected outcomes of the NAP proposal (to be implemented by UNDP). In this sense, this second readiness proposal will further contribute to strengthening the country's technical capacities, particularly focusing on the following key outcomes:

- a) Support to strengthen the capacities of the NDA and other relevant institutions for the assessment and prioritization of GCF proposals, including by reviewing and updating the prioritization tool developed under Readiness 1 and ensuring ownership and institutionalization among the relevant Ministries.
- b) General awareness raising on climate action, including climate finance and the work of the NDA to ensure enhanced engagement with the GCF. The activities of this second readiness will build on the work conducted under Readiness 1 with relevant Governmental institutions, and will go one step further to raise awareness in the general public at national level. This work will be coordinated and will make use of the key findings of the NAP readiness proposal to understand climate vulnerabilities in the Republic of Serbia and to mainstream adaptation in the educational system. In this regard, the participatory/multi-stakeholder approach proposed under this second readiness will leverage participation of all social and economic sectors and will pave the way for more detailed work on adaptation to be conducted under the readiness NAP proposal. The component on awareness raising will include the development of a communications strategy of the NDA with all stakeholder groups, in the different priority sectors, identifying the most appropriate channels to communicate with the different audiences and particularly trying to build bridges and raise the interest of private sector in climate action.
- c) Based on the initial general discussions on accreditation conducted under Readiness 1, this second proposal will further support the identification of potential Direct Access Entities (DAEs) in the Republic of Serbia, to support the implementation of prioritized measures in the defined priority sectors. The NDA has preliminarily identified the Development Fund of AP Vojvodina; however, under this second readiness support the intention of the Government of Serbia is to expand the pool of DAEs, which will be selected based on their experience and track record implementing projects and climate change measures in the country, as well as their comparative advantage concerning the type of financial instruments they are able to deploy, aligned with the assessment of additionality to be conducted in Outcome 4. The work on identification of potential DAEs will- where possible- additionally identify opportunities for the accreditation of private sector institutions, leveraging on the work to also be conducted under Outcome 4.
- d) Additionally, this proposal will support the Republic of Serbia in the efforts to develop measures in the priority sectors identified in the NDCs, Second National

	<p>Communication and lastly in the GCF Country Programme developed under the Readiness 1, which include Energy, Agriculture, Water Resources and Hydrology and Forestry. The work to develop 2 concept notes under this second readiness proposal will be based on the call for proposals launched by the NDA in the context of the Readiness 1 (implemented by UNEP) and also on the pipeline development for adaptation measures expected under the NAP project (with UNDP as Delivery Partner). In this sense, the work to develop the CNs will support a programmatic approach in the priority sectors where the ideas prioritized and further developed into CNs will be considered as priorities in the revised Country Programme to be updated based on the review of the NDC currently initiated by the Republic of Serbia (to be completed in 2020). The work to develop CNs for priority investments will also explore opportunities to leverage private sector participation in those investments, particularly through potential Public-Private Partnerships defined through a participatory process with private sector actors in the country.</p> <p>e) Additionally, this proposal will concretely analyze the role, potentialities and barriers to private sector participation in climate action. More specifically the proposal will target the identification of private sector stakeholders with potential to invest in climate change related actions, including an analysis of the additionality of financial instruments needed to implement Country Priorities and the potential of the private sector to support these efforts, with a view to enhance their future access to the GCF and other resources. Furthermore, as mentioned above, in order to improve efficiency, ensure full country ownership and increase business opportunities at the national level, based on their expertise and track record, as well as their potential contribution in terms of additionality of financial instruments, the identification of potential Direct Access Entities will also consider the potential of private sector actors to be accredited. Also, concrete opportunities for private sector engagement on climate action measures with and without the GCF support will be evaluated through Public-Private Partnership schemes. These will contribute significantly to the achievement of the NDC goals and reduction of the climate risks in the country.</p> <p>It is important to highlight the interconnectedness of all the activities under this proposal, which have the intention to cover all the spectrum of the programming cycle in Serbia, going from raising awareness, to facilitating direct access and identifying concrete private participation for project CN development in the defined priority sectors, looking forward to the review of the NDCs and GCF Country Programme initiating in 2020, expected to cover from 2025 onwards.</p>
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<b>Total requested amount and currency</b>	USD 560,357	<b>Anticipated duration</b>	18 months
<p><b>Has the country received or is expecting to receive other Readiness and Preparatory Support funding allocations (including adaptation planning) from GCF or other donors?</b></p>		<p> <input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No         </p> <p>           Serbia is finalizing the implementation of a first general Readiness Support project aimed at developing the capacities of the National Designated Authority (NDA) for an effective engagement with the Green Climate Fund and engaging stakeholders (mainly Government institutions, but also an initial approach to reach private sector institutions) in consultation processes. Also, a NAP proposal, has been approved by the GCF Secretariat targeting to establish the structure and procedures for appropriate planning and implementation of adaptation related actions and measures.         </p> <p>           In this context, this second readiness proposal will avoid any overlapping with other past and ongoing climate related initiatives and will particularly build on the information and stakeholder engagement processes initiated within the first readiness proposal which implementation is being finalized by UNEP as Delivery Partner. Additionally, this second readiness proposal will identify concrete opportunities to coordinate with UNDP as Delivery Partner to lead the implementation of the NAP proposal in Serbia, to attract investments in adaptation field and avoid any duplication and overlapping of efforts.         </p> <p>           More concretely, the activities under the mentioned first readiness proposal have contributed to strengthening the NDA's technical and coordination capacity, with a view to enhancing its access to adequate climate financing to address climate threats and implement identified priorities for action as well as to develop the first Country Programme. In this sense the present second readiness proposal complements the first readiness by focusing on the development of Concept Notes for proposals with potential to be further developed into fully bankable projects to access climate finance, supporting the programming cycle in Serbia based on the project ideas received and prioritized by the NDA for the next Country Programme cycle (from 2025 onwards) with leveraged participation of private sector investments.         </p> <p>           Additionally, to the extent possible this proposal will identify opportunities to complement the work intended under NAP proposal, particularly exchanging relevant information UNDP to jointly identify opportunities for collaboration and avoid overlapping, particularly in the development of pipeline for adaptation projects and awareness raising focused on adaptation to take place under the NAP project.         </p>	



## 2. BACKGROUND

Since 2000 the Republic of Serbia has faced several significant extreme climate and weather episodes that have caused significant material and financial losses as well as losses of human lives. The country ranks at 99 on the INFORM Risk Index, which is the highest score in the region with regard natural hazards and humanitarian crises and disasters.

The two most prominent/relevant/remarkable events are the drought in 2012 and the floods in 2014. The drought in 2012 was particularly strong; for more than 50 days, temperatures exceeded 35°C resulting in more than one million ha of lost agricultural production and over \$141 million in damages<sup>1</sup> and contributed to a decrease in yields of some crops by 50%. Estimates show that the droughts in 2000, 2003, 2007 and 2012 caused over 3.5 billion Euros worth of damage and the floods in 2014 over 1.5 billion Euros. Estimates show that the material damage incurred by forest fires in the period 2000-2009 is worth more than 300 million Euros.

From the mid-20th century, the river discharges in Serbia generally records a negative trend<sup>2</sup>. This reduction is expected in the future, particularly after 2050, ranging from just a few to over 20%. These changes will cause, among other things, problems related to water availability, water quality and the intensity and frequency of floods and droughts.

Droughts, pest outbreaks and the occurrence of forest fires have significantly influenced forest ecosystems in Serbia. In the long run, climate change may cause a transformation of entire forest ecosystems, changing the distribution and composition of Serbian forests. By the end of the 21st century, about 90% of today's beech forests will be outside the bioclimatic niches they inhabited in the 20th century and around 50% will be found in the zone where mass mortality is likely to occur.

Climate change will affect the spatial variation in agro-climatic conditions, the conditions for plant breeding and the selection of suitable varieties. Warming of climate will also affect the phenology of plants, leading to faster development. Certain scenarios for the period 2071-2100 indicate the expected corn yield reduction from -52 to -22% for the whole territory of the Republic Serbia, for conditions without irrigation. The impact on other crop and vegetable varieties can also be expected.

Climate change projections estimate the increase in frequency and intensity of natural hazards, such as floods and droughts in terms of scope and duration. The further increase in occurrence and intensity of extreme events are also expected to cause additional significant material and financial losses, loss of human lives and could devastate agriculture sector and the farming-based livelihoods of thousands of people. This will have direct impact on food security of the population due to the impact on food production and food values chains. Such conditions will have impacts on energy demand and production and with that energy security.

As stated in the INDC, the most vulnerable sectors in the Republic of Serbia are agriculture, hydrology, forestry, as well as human health and biodiversity. Additionally, Serbia's Second National Communication (SNC) to the United Nations Framework Convention on Climate Change provides a basis to understand the concrete needs the country will require to adequately respond to climate change, including financial, technological and capacity building needs.

Particularly, the SNC includes detailed estimations of the total funds required by the country to achieve the reduction planned in three different scenarios (2020, 2025 and 2030) with measures and with additional measures; the following table summarizes the assessments on investment needs according to these scenarios. Figures in the table represent total investments in millions of Euros:

<sup>1</sup> USAID Climate Risk Profile for Serbia. Available at:

[https://www.climatelinks.org/sites/default/files/asset/document/2017\\_USAID\\_Climate%20Change%20Risk%20Profile\\_Serbia.pdf](https://www.climatelinks.org/sites/default/files/asset/document/2017_USAID_Climate%20Change%20Risk%20Profile_Serbia.pdf)

<sup>2</sup> Intended Nationally Determined Contribution of the Republic of Serbia to the UNFCCC. Available at:

[https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Serbia%20First/Republic\\_of\\_Serbia.pdf](https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Serbia%20First/Republic_of_Serbia.pdf)

Year	With Measures Scenario	With Additional Measures Scenario
2020	9,183.025	9,521.359
2025	20,936.050	21,612.717
2030	33,793.050	34,469.717

At the same time Republic of Serbia committed itself under the Paris agreement to reduce GHG emissions. As requested by the Paris agreement the first NDC needs to be revised on the way to be more ambitious. Thus, in 2016, in cooperation and financial support by EU, Serbia initiated process of drafting the National Climate Change Strategy. The main aim of the Strategy is to review the country's first NDC and to define, every five years goals and a long-term framework to combat climate change and specific activities to fulfill this goal for the period 2020-2050, as well as predictions for emission reduction until 2070.

More ambitious NDC will require even more investments and climate related financing. Such investments and financing could not be ensured by the state and local budgets only, and therefore private sector investments as well as financial support by the international community, more precisely the GCF, are crucial to achieving NDC commitments. Summarizing the priorities for adaptation and mitigation, as reflected in the NDC and National Communication, the Republic of Serbia has developed under the first readiness grant, an initial Country Programme reflecting country priorities until 2025 and identifying Energy, Agriculture, Water Resources and Hydrology and Forestry as the priority sectors for cooperation with the Green Climate Fund.

However, the current level of capacities and knowledge on climate related investment needs in general, and especially by the private sector are low. Also, the level of knowledge of private sector actors on the importance of the GCF and current possibilities offered by the Fund is insufficient. These were confirmed also during the GCF representatives visit to Serbia.

For these reasons, building on the findings of the first Readiness this project will contribute to:

**Outcome 1: Institutional capacity and coordination mechanisms in place to govern and coordinate climate action and finance**

In the context of the Readiness 1 project, and after discussions during the GCF Secretariat visit to Belgrade, a prioritization tool was developed to support the assessment of proposals. However, this tool has not been presented and discussed with relevant institutions that, according to the ordinary procedures of the Government of Serbia will need to provide technical opinion prior to the endorsement of the NDA of the proposal and granting the no-objection letter for submission to the GCF. Similarly, the NDA has identified the need to develop guidance materials for project developers and general public on the criteria to be considered for project prioritization, as well as guiding document for the use of line Ministries to be involved in the assessment of proposals. In this context, this outcome will be based on the efforts conducted under Readiness 1, and will aim at presenting, discussing, testing and subsequently adjusting the prioritization tool for GCF projects (developed under Readiness 1); based on the inputs from the line Ministries to potentially be requested by the NDA to assess proposals according to the ordinary procedures of the Government of Serbia. In this context, Activity 1.2.1 will include at least 2 workshops to discuss with the relevant institutions the prioritization tool developed for GCF projects. Based on the discussions and inputs from the different institutions, the tool will be then adjusted to reflect also other important existing decision making criteria such as innovativeness, additionality and scale of project. Subsequently, Activity 1.2.2. will target the development of guidance materials for different public, including on one hand the institutions that will conduct the assessment and prioritization of GCF proposals, and on the other hand targeting project developers and potential executing entities that will engage in the development of proposals, so all the key criteria are clear and stakeholders understand how those criteria will be applied.

These activities are included under sub-outcome 1.2. related to No-objection procedure, because this prioritization tool will provide an assessment of proposal that will lead to the NDA granting the no-objection letter for projects, or not. Therefore the work to be conducted aims in general terms to strengthen the assessment procedures for no-objection.

## Outcome 2: Country Programming

The work under this outcome will strongly build on the efforts conducted in the context of the first readiness grant, where initial stakeholder engagement was conducted. Particularly, the second readiness will target the development of a communications strategy of the NDA to reach different segments of the population through a gender-sensitive awareness raising campaign, to complement the work initiated under the Readiness 1; more specifically building on the two National Multi-stakeholder consultations and the two general capacity building events, which took place in Belgrade, mostly with participation of public and private sector institutions, and will aim at enlarging the circle of stakeholders whose knowledge and capacities on climate change and climate finance matters will be strengthened, including local governments, general Serbian population, academia and of course, private sector at national level.

Additionally, this outcome will make use and build on the 3 information papers on GCF, NDA, and accreditation prepared and disseminated under Readiness 1, to develop strategic key messages to be included in the media campaign (videos, radio and TV spots and programmes and other relevant formats) that can reach the general population and other relevant stakeholders in the priority sectors, with up to date information on climate change impacts and the efforts being conducted in the country to address these impacts through a variety of adaptation and mitigation measures according to Serbia's commitments. The campaign will explain in simple and accessible language the opportunities for engagement with the GCF and other climate finance mechanisms specifically targeting different audiences allowing the NDA to strategically reach all relevant stakeholders at national level.

An inception workshop (Activity 2.3.1) and a dedicated awareness raising campaign (Activity 2.3.2.) are envisaged as core activities under this outcome to contribute to strengthening the country's technical capacity and general knowledge to deal with climate change and its impacts, and to access climate finance for priority investments in both adaptation and mitigation from a bottom-up approach. This proposal will further strengthen institutional and technical capacities of the Ministry of Agriculture, Forestry and Water Management as well as other institutions included into the GCF No-objection procedure and institutional set up (to be finalized under the UNEP Readiness project) ensuring gender equality, including Government Institutions, Private Sector and Non-Governmental Organizations, as well as Academia and research and innovation centers.

A multi-stakeholder two-day workshop is planned under Activity 2.3.2.including participation of stakeholders at local level. The two day training will follow the example of the GCF Structured Dialogues where different stakeholders gather around plenary sessions, parallel group discussions on sector specific topics and market place to allow for stakeholders to present solutions and innovative ideas to tackle climate change at national and local level.

## Outcome 3: Direct access to Climate finance

A general GCF and accreditation workshop was organized, however this represents insufficient information to attract stakeholders and raise awareness on the need for Direct Access in the country. Therefore further work on information about accreditation requirements and other details is deemed necessary by the NDA. Additionally, recently, the NDA has nominated the Development Fund of AP Vojvodina as potential Direct Access Entity.

In this context, the support to be provided under the second readiness programme aims at expanding the pool of potential Direct Access Entities identified in the country to support the implementation of Serbia's country programme and NDCs. The staged approach includes an initial awareness raising phase (Activity 3.1.1.) where all relevant stakeholders will be convened to discuss in detail the different requirements of the accreditation process and to identify initial interest from public/private institutions.

Later on, once the initial long list of potential Direct Access Entities is in place, the work will focus on conducting a rapid assessment of all of the institutions (Activity 3.1.2) that have shown interest in the accreditation process (including the recently nominated Development Fund of AP Vojvodina), to identify those with higher potential based on their capacities, track record and expertise for the implementation of Serbia's priorities as reflected in the NDC and Country Work Programme developed under the Readiness 1. This second phase will consider the analysis on additionality to be conducted under sub-outcome 4.5. to identify the type of financial instruments required to implement Serbia's priorities, which will also provide an indication of the type of institution needed to cover this requirement in terms of fiduciary capacities.

Once the shortlist of potential DAEs is in place, based on country needs and following the procedures established in the country coordination mechanism, one institution will be prioritized from the shortlist, based on its track record and its potential to implement the type of financial instruments required for the achievement of the goals as defined in the NDC and Country Programme.

Lastly, once nominated by the NDA, tailored support will be provided to the prioritized institution to review the accreditation application and to identify the initial list of supporting documents to be uploaded to the OAS account as evidence to support the application; this will include 2 working sessions with the staff of the prioritized institution to discuss in detail any challenges and needs to comply with the accreditation requirements.

This outcome builds on the initial general workshop on GCF and accreditation, conducted under the first readiness programme, which was an opportunity to bring information to national stakeholders but didn't provide actionable follow up with potential DAEs. It also will complement the initial discussions held by the NDA with the Development Fund for AP Vojvodina, which recently led to the nomination of this institution as potential DAE for the GCF.

#### **Outcome 4: Climate Finance strategies and project pipeline strengthened**

The activities under outcome 4 are organized around two sub-outcomes, concretely focusing on Concept Note development and private sector engagement. The activities envisaged under this outcome will further support country administration to work with GCF and it will build on Readiness 1 proposal on general NDA capacity strengthening;

- **Sub-Outcome 4.3: Project Concept Notes Developed**

Serbia's Country Work Programme not only includes the indication of priority sectors for cooperation with the GCF, it also includes the indication of three initial projects that will be developed and submitted to the GCF by 2025. The Country Programme also clearly states that "the next Country Programme shall be aligned with the revised NDCs (currently being developed) and will aim to meet the obligations after 2030".

In this context, Serbian NDA launched earlier in 2019 a call for project ideas from different stakeholders; during the public call, a total of 72 project ideas were submitted to the NDA, including ideas from public companies and other institutions of the national government, private sector, local self-governments, academic institutions and NGOs. In this sense, activity 4.3.1 targets to support the NDA to conduct a matchmaking exercise to identify accredited entities to move forward the project pipeline for the Republic of Serbia.

Additionally, the intention of the NDA with this second readiness proposal is to use the best and most promising ideas submitted in the context of the call (to be selected and prioritized by the NDA and coordination mechanism), and to develop 2 of these ideas into concept notes (Activity 4.3.2) to start paving the way for the update of the country programme beyond 2025. The identification and matching of AEs to implement these CNs will take place in parallel to ensure these CNs will be further developed into full funding proposals upon confirmation on eligibility and interest from the GCF.

In this sense, this proposal will establish a solid baseline for the development of funding proposals for larger investments to be implemented with participation of private sector partners (including by identifying/developing a Public-Private Partnership), which is one of the main priorities for the country, contributing to the implementation of Serbia's Country Work Programme and consistent with the ongoing process to develop the Climate Change Strategy in the priority sectors mentioned above.

**The development of the 2 Concept Notes will include the following concrete tasks:**

<b>Tasks</b>	<b>Expected costs</b>
<b>Bilateral/multilateral discussions with national stakeholders to further define the concrete needs according to the areas of work defined as priorities in Serbia</b>	<b>(1 multi-stakeholder meeting per CN and one validation workshop for both concept notes- USD 9,000 approx.)</b>
<b>Development of Project Idea Note (PIN) for the proposed investment (if needed)</b>	<b>- One international Consultant as Team leader for the development of both Concept Notes and pre-</b>

<p><b>Development of a Concept Note and pre-feasibility study</b></p>	<p><b>feasibility studies, (USD 35,000 for both CNs)</b></p> <ul style="list-style-type: none"> <li>- <b>One national climate change specialist to support the development of each Concept Note, pre-feasibility study, (USD 24,000 for both CNs)</b></li> <li>- <b>One ESS and gender specialist to ensure gender mainstreaming in all activities in the project (including conducting the awareness raising campaign under sub-outcome 2.3), to support the assessment and tailored support for one DAE focusing on Gender and ESS criteria for accreditation (under sub-outcome 3.1) and to support the development of both Concept Notes and pre-feasibility studies (sub-outcome 4.3), from a gender-sensitive perspective (USD 15,000)</b></li> </ul>
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- **Sub-outcome 4.5: Private Sector engagement**  
 The activities falling under this sub-outcome target strategic and systematic engagement of private sector for the implementation of Serbia’s priorities as reflected in the NDCs and Country Work Programme by accessing climate financing and strengthening cooperation with the GCF. In this context, the second readiness project will build on the capacity building event conducted with Private Sector Participation to explore in more depth the opportunities to leverage private sector participation in climate action.

Particularly, this project will support the country to analyze the potentialities for private sector participation in climate action in Serbia (activity 4.5.1), which will be developed by both desk review and focus groups conducted with participation of private sector institutions and government agencies relevant for the work with private sector. This Analysis will include a) a mapping to facilitate the identification of relevant private sector partners to participate in climate action efforts in the country according to priority sectors; b) a detailed analysis of the additionality of financial instruments needed for the implementation of Serbia’s NDCs and Country Work Programme; c) an analysis of the barriers and bottlenecks for private sector investments and concrete market needs to facilitate leveraging of private sector in priority sectors in the country and; d) an initial pipeline of potential projects (including Public-private partnerships) to be financed/ co-financed by the private sector, in particular for the implementation of Serbia’s Country Programme goals. This pipeline will complement the results of the initial call for project ideas launched by the NDA, where 72 ideas were received.

As a result, a roadmap for scaling up private sector participation in climate action in priority sectors in Serbia will be delivered from the analysis conducted (Activity 4.5.1.). This roadmap will be validated in a High-level private sector event (activity 4.5.2.), targeting the identification of concrete next steps to scale up private sector climate finance in Serbia.

3. LOGICAL FRAMEWORK AND IMPLEMENTATION SCHEDULE																				
Outcomes		Baseline <sup>3</sup>	Targets	Activities <sup>4</sup> (brief description and deliverables)	Anticipated duration: 18 months															
					Monthly implementation plan of activities <sup>5</sup>															
					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1. Institutional capacity and coordination mechanisms in place to govern and coordinate climate action and finance	Sub-outcome 1.2. NDA “No-objection” Procedure for funding proposals and PPF application	1	2	<p><b>Activity 1.2.1.</b> Conduct testing and improvements for the prioritization procedure for GCF projects as initially developed under the first readiness grant. This will include 2 workshops with relevant Ministries to support ownership and institutionalization of the tool.</p> <p><b>Deliverable 1.2.1</b> Updated prioritization tool endorsed by the NDA and fully owned by the different institutions to conduct the assessment of GCF projects. <b>Completion: Q2Y1</b></p>							X									

<sup>3</sup> For baselines rated First readiness at 1 or 2, please shortly elaborate on current baselines on which the proposed activities can be built on, processes that are in place that the current Readiness proposal can strengthen, or any gaps that the proposed activities would fill in. If more space is needed, please elaborate this in Section 2.

<sup>4</sup> Please include tangible and specific deliverables for each activity proposed, and the timeframe (month number) in which it will be delivered to GCF. Please note that during implementation all deliverables should be included within the implementation reports for GCF consideration.

<sup>5</sup> If the duration of the proposal is longer than 24 months, please change the monthly columns to indicate 2 or 3 months each (e.g. change month “1” to month “1-2” or “1-3”).





		<p>sector and one general accreditation training organized.</p> <p>However, regardless of the events that took place in the context of the Readiness 1 implementation, there's lack of systematic knowledge and information on the general public (beyond government institutions at the centralized level) on climate change, its impacts and opportunities to engage in climate action and access climate finance</p>		<p>a) A gender-sensitive media campaign to share information on benefits of climate change related investments, targeting local governments, general population and private sector institutions.</p> <p>b) Organization of a two-day training to the targeted stakeholders in a gender and participatory approach (including universities, ministries, local governments, NGOs, women and youth organizations), to discuss possibilities for financing in both adaptation and mitigation, as well as on the GCF role and possibilities it provides as well as other financing institutions. This training will take place in Belgrade with expected participation of 100 participants (at least 30% will be women)</p>																								
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		<p>the NDA as potential DAEs, however this the NDA intends to conduct an in depth assessment of other institutions that can support the implementation of the Country Programme and NDCs.</p>	<p><b>Activity 3.1.2:</b></p> <p>Rapid assessment for understanding the roles of existing institutions and identifying initial list of institutions with potential to be accredited<sup>6</sup> and support in the implementation of Serbia's priorities as outlined in the Country Programme, developed under Readiness 1.</p> <p><b>Deliverable 3.1.2.1:</b></p> <p>Assessment report on the roles of existing institutions and short-list of entities with potential to be accredited<sup>7</sup></p> <p><b>Completion Q3Y1</b></p>																									
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<sup>6</sup> This assessment will consider the results of the analysis of additionality to be conducted under sub-outcome 4.5, to support the identification of the short-list of potential DAEs.

<sup>7</sup> This assessment will also consider the results of the analysis on additionality in terms of financial instruments to support the implementation of Serbia's commitments to define the shortlist of potential DAEs and further identify the 1 institution to be prioritized by the NDA.



	<p><b>Sub-Outcome 3.2.</b> Accreditation of Direct Access Entities</p>	0	1	<p><b>Activity 3.2.1:</b></p> <p>Based on the Gap Analysis, develop a roadmap for accreditation of the potential DAE entity in Serbia, including 2 working sessions with the staff of the prioritized institution and tailored support to discuss the concrete steps and examples of required documentation to complete the accreditation application.</p> <p><b>Deliverable 3.2.1.1:</b></p> <p>Roadmap for accreditation of the potential DAE in Serbia<sup>8</sup> developed, and Accreditation application submitted to the GCF Secretariat for consideration.</p> <p><b>Completion Q2Y2</b></p>																										x
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<sup>8</sup> The Roadmap for Accreditation will include a list of recommendations for filling the institutional gaps to fulfil the accreditation requirements.

<p><b>Outcome 4: Climate Finance strategies and project pipeline strengthened</b></p>	<p><b>Sub-Outcome 4.3 Project Concept Notes Developed</b></p>	<p>1 Under the first Readiness grant an initial prioritization procedure has been developed, however it needs to be reviewed to ensure it is easy to use and ensure consistency with all relevant assessment criteria as defined by the GCF.</p> <p>2 projects and 1 programme identified in the context of the Country Programme Development under readiness 1.</p> <p>Call for project ideas launched by the NDA. 72 project ideas submitted by different stakeholder groups.</p>	<p>2</p>	<p><b>Activity 4.3.1.</b> Conduct a matchmaking exercise for the identification of AEs to move forward Serbia's project pipeline.</p> <p><b>Deliverable 4.3.1.1.:</b> Notes from AEs confirming their commitment to move forward the proposals they've been matched with.</p> <p><b>Completion: Q4Y1</b></p>														X									
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	<p><b>Sub-Outcome 4.5: Private Sector Engagement</b></p>	<p>1 One general capacity development event with the participation of private sector was organized under Readiness 1.</p> <p>No systematic information about the barriers for private sector investment in climate change adaptation and mitigation is available.</p> <p>No concrete mapping exercise on the type of private sector institutions that can contribute to the implementation of climate commitments is available.</p>	<p>2</p>	<p><b>Activity 4.5.1</b> Analysis of potentialities for private sector participation in climate action in Serbia. This document will be developed based on desk review and focus group discussions (2 workshops including 30-40 participants to take place in Belgrade) with private sector and will include the following information:</p> <ul style="list-style-type: none"> <li>a) Mapping of private sector entities with potential to invest on climate action in the Republic of Serbia;</li> <li>b) Analysis of additionality in terms of types of financial instruments to support Serbia's climate finance needs in priority sectors;</li> <li>c) An analysis of the barriers and bottlenecks for private sector investments and concrete market needs to facilitate leveraging of private sector in priority sectors;</li> <li>d) An initial pipeline of potential private sector projects to be finances/co-finances</li> </ul>																								
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				<p><b>Activity 4.5.2</b> Conduct a High Level dialogue event between the NDA and Private Sector entities, to validate the roadmap for scaling up private sector climate finance investments in Serbia and initiate the discussions of an action plan to address the barriers for private sector investments in climate change adaptation and mitigation. The event will take place in Belgrade and will include the participation of 40-50 participants (including 30% of women) from public and private institutions.</p> <p><b>Deliverable 4.5.2.1</b> Summary and conclusions of the dialogue with private sector and validated roadmap for scaling up private sector climate finance in Serbia</p> <p><b>Completion: Q1Y2</b></p>																	X			
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#### 4. ADDITIONAL INFORMATION (ONLY FOR ADAPTATION PLANNING SUPPORT)

This section is only to be completed when seeking support for formulation of national adaptation plans and/or other adaptation planning processes. Please see Part 3 Section 4 in the Readiness Guidebook and please limit to maximum of 500 words.

## 5. BUDGET, PROCUREMENT, IMPLEMENTATION, AND DISBURSEMENT

### 5.1 Budget plan

Please complete the Budget Plan in Excel using the template available in the [Library](#) page of the GCF website.

### 5.2 Procurement plan

Please complete the Procurement Plan in Excel using the template available in the [Library](#) page of the GCF website. For goods, services, and consultancies to be procured, please list the items, descriptions in relation to the activities in section 2, estimated cost, procurement method, relevant threshold, and the estimated dates. Please include the procurement plan for at least the first tranche of disbursement requested below and provide a full procurement plan for the entire duration of the implementation period if available at this stage.

### 5.3 Disbursement schedule

Please specify the proposed schedule for requesting disbursements from the GCF. For periodicity, specify whether it's quarterly, bi-annually or annually only.

**Readiness Proposal that falls within a Framework Agreement with the GCF**

Disbursements will be made in alignment with the provisions established in the Amended and Restated Agreement in the respect of the Framework Readiness and Preparatory Support Grant Agreement between FAO and the GCF *coming into effect in the second semester of 2020*.

## 6. IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

### 6.1 Implementation map

Please describe how funds will be managed by the NDA and/or the Readiness Delivery Partner.

The GCF Readiness Programme will be implemented by the FAO under the guidance and leadership of the NDA. As an Accredited Entity, FAO will manage the Readiness funding and will be responsible for providing and contracting the services contained in this proposal, as well as reporting on the progress of this implementation in close coordination with the NDA and in observance of the provisions included in the amendment to the framework Agreement between the GCF and FAO, coming into effect in the second semester of 2020.

In the execution, the Readiness Project will receive technical support from a national Readiness 2 Steering Committee which will act as an advisory body to the project and be chaired by the NDA, within the Ministry of Agriculture, Forestry and Water Management of the Republic of Serbia. Throughout the project's implementation, the Steering Committee's role will be to discuss and deliberate on technical products and provide technical oversight and advice to the NDA, particularly ensuring the activities of this project do not overlap or duplicate the work carried out by other partners currently working in Serbia. General responsibilities will include brainstorming, and support the processes necessary for the efficient implementation of the Project.

To ensure complementarities of this grant and the NAP proposal to be implemented with GCF resources with UNDP serving as Delivery Partner, a representative of UNDP will be requested to report to the NDA and coordinate with FAO on a monthly basis to facilitate the identification of opportunities to collaborate and avoid duplication of efforts.

Additionally, the project will be implemented through a gender-balanced, transparent, participatory and inclusive consultative process. The readiness proposal will be led by the Government of Serbia through the Ministry of Agriculture, Forestry and Water Management and it is expected that the activities under this readiness will benefit a broad spectrum of government institutions, along with other non-state actors (including private sector). Concretely, the project will benefit:

- ❖ Private sector, including Chambers and Associations of companies operating in the country, as well as clusters and organizations, especially in the priority sectors as defined in the Country Work Programme
- ❖ Governmental ministries and agencies, including Ministry of Agriculture, Forestry and Water management, as well as other ministries involved in the NDA, National climate change committee etc.
- ❖ Non-governmental organizations and academic sector including Academy of Sciences, Public and private Universities and NGOs

The project will also strive to ensure the results and information obtained during the project's implementation are shared with all stakeholders. The project will be framed by Serbia's commitments and policies on gender equality, along with the GCF and FAO policies on gender equality.

The project will be led by the Government of Serbia (who is the ultimate beneficiary), with the technical and operational support of FAO, as delivery partner, through the supervision of FAO's Regional Office in Budapest, the support from FAO's HQ in Rome and the day-to-day execution with the support of FAO office in Belgrade. In this way, the project will benefit from the technical and implementation capacities of FAO at national, regional and international levels. FAO will ensure possible synergies with other countries, in relation to GCF experience and capacity building.

**Project Quality Assurance:** As a Delivery Partner selected by the NDA, FAO will implement and execute the readiness project, to deliver GCF-specific oversight and quality assurance services, including: (i) Day-to-day oversight supervision; (ii) Oversight of project completion; and (iii) Oversight of project reporting, including gender and social inclusion mainstreaming. FAO will ensure the overall quality of the project implementation through different levels of supervision, including the support of FAO team in the country and at regional and headquarters levels. Project Quality Assurance will be independent of the Project Management function and will provide support to the Project Steering Committee and National Project Manager by carrying out objective and

independent project oversight and monitoring functions, ensuring appropriate project management milestones are timely completed.

To conduct the functions of Project Quality Assurance, FAO will conform a Project Task Force which will be presided over by the budget holder, together with the FAO Lead Technical Officer (LTO) and Funding Liaison Officer; this Task Force will be integrated by experts from FAO's Regional Office, HQ and the team at Country level. The task force is a management and consulting body composed of FAO staff members with the authority and technical knowledge required to ensure efficient technical, operational and administrative management of the project. Finally, the FAO Regional Office and HQ will provide administrative support and supervision on issues such as purchasing goods internationally and presenting reports. FAO's LTO in coordination with the team in the Country will lead in the preparation of reports with the support of the National Project Manager and FAO HQ will follow official channels for communication with the GCF. Additionally the LTO, in consultation with FAO staff in HQ will ensure the observation of all considerations included in the Framework Agreement for Readiness Grants between FAO and the GCF with regards to reporting.

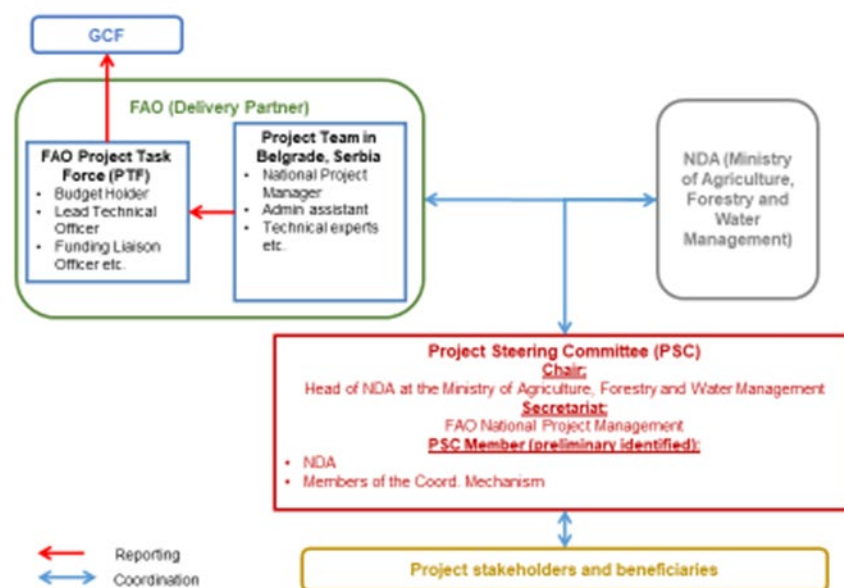


Figure 1 Composition of the Project Steering Committee

### Gender equality

Gender dimensions have been integrated throughout the project, to ensure that gender perspective of climate change is reflected in the knowledge products, as well as to ensure that diverse viewpoints are reflected and different types of actors' capacity is strengthened. In particular, by using a human rights-based approach, both duty-bearers and right-holders will be identified, and their capacities developed. Within this approach, duty-bearers will be ready to mainstream gender and to support all, and right-holders will be ready to practice their rights. By taking gender issues into account in all activities, the project is more likely to meet its objectives and reach its full potential, as the knowledge products and related planning processes will more accurately reflect the existing socio-economic dynamics that shape women's and men's adaptive capacity. In addition, the project will avoid reinforcing existing inequalities vis a vis access to knowledge and training by encouraging the participation and engagement of diverse stakeholders. The project will target 50-50 equal participation of women in all the events organized within the project and ensure that the deliverables are gender-sensitive and that the interests of both men and women are considered and represented throughout the project implementation. The proposal indicates that, according to the UN quota on women representation and with Government of Serbia and FAO Gender policies and action plans, **at least** (no less than) 30% of all participants

to the different events will be women, and in this sense this only represents the absolute minimum representation of women that can be expected.

The LTO will ensure effective gender and social inclusion mainstreaming in line with the FAO Policy on gender equality; the FAO guidelines for the implementation of gender mainstreaming and human rights-based approach in the project cycle<sup>9</sup>; the FAO Environmental and Social Management Guidelines; and the GCF standards on gender equality and social inclusion.

**National Project Manager (NPM):** The National Project Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The National Project Manager will ensure that all project personnel maintain a high level of transparency, responsibility and accountability in M&E and in reporting of project results. The National Project Manager will report to the Lead Technical Officer and will inform the Task Force, of any delays or difficulties encountered during implementation to ensure that appropriate support and corrective measures can be adopted.

The National Project Manager will develop annual work plans to support the efficient implementation of the project. The NPM will ensure that the standard FAO and GCF M&E requirements are fulfilled to the highest quality and will ensure fluid communication between all stakeholders of the project (including FAO, the NDA and other stakeholders) and also serves as Secretary to the Steering Committee ensuring that all the decisions made by the SC are duly executed to ensure a smooth implementation of the project.

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<sup>9</sup> These guidelines have been developed for the Region of Europe and Central Asia and are available at: <http://www.fao.org/3/a-i6808e.pdf>

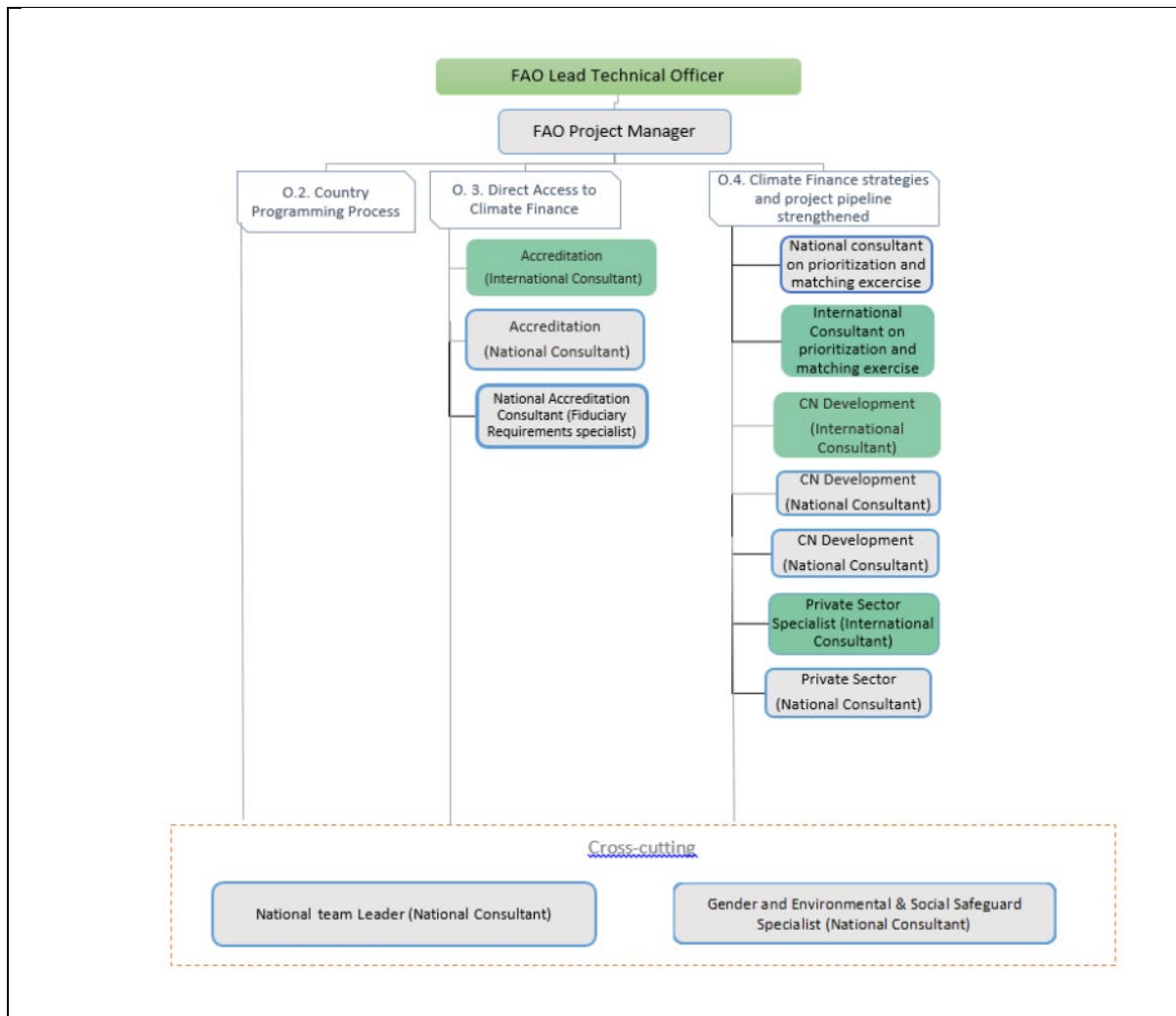


Figure 2 Project staffing organogram

For the implementation of this readiness grant, the NDA is requesting the support of a full time **National Team leader** who will technically support the NDA team to carry out all the activities under this readiness proposal, coordinating with all the consultants and service providers to ensure the quality of the deliverables provided.

Additionally, for the implementation of Outcome 2 related to the development of a communications strategy and an awareness raising campaign, **a marketing and public relations company** will be hired to coordinate, together with the National Team Leader the work to reach stakeholders through national media. However the National team leader will have under his/her direct responsibility the achievement of the results expected under all the Outcomes and more particularly Outcome 2.

For the implementation of Outcome 3, an **International Expert on Accreditation** will be hired to work together with a **National Accreditation Consultant** to conduct all the activities envisaged under this outcome. Additionally, a National Expert to support the assessment of fiduciary standards according to the accreditation requirement will also be hired in the context of Activities expected to be conducted under outcome 3. It is also expected that the International Consultant will guide the work of the National consultant and will provide guidance on the accreditation process based on experiences in other countries/regions. However, the national consultant will lead the direct engagement with the institutions short-listed, and later on prioritized by the NDA.

Outcome 4 will include work to review the prioritization procedure developed under readiness 1, with the support of **a National and an International Consultants**, who will also perform a matching exercise to ensure Accredited Entities (including those potential DAEs to be identified under outcome 3) can move forward the project pipeline in the country. Additionally, under Outcome 4, Activity 4.3.2 will require the

expertise of an **International Concept Note Development Specialist** (Task Manager) and the support of **2 National Concept Note Development Consultants**, each one directly responsible for the development of one CN in consultation/coordination with the International Consultant and the National team Leader. The National Consultants will be recruited depending the specific expertise required according to the sectors of the project ideas prioritized by the NDA.

Additionally, one **International Private Sector Specialist** will provide guidance and overall strategic engagement with private sector, together with the **National Private Sector consultant**, who will directly support the NDA on engaging with Private Sector.

A **National Gender and ESS specialist** will support the implementation of all activities under this readiness proposal and will particularly support the assessment of DAEs according to gender and ESS criteria of the GCF and to ensure gender mainstreaming and initial ESS criteria are considered during the development of the 2 priority concept notes. In this sense, the work of the gender consultant is considered crosscutting to all the outcomes.

**Project start date**

The start date for implementation will be as outlined in the framework/grant agreement in effect at time of approval unless otherwise agreed to between the Delivery Partner and the GCF.

**6.2 Risks, monitoring and evaluation (M&E), and other relevant information**

FAO Regional Office in Budapest and FAO Project Office in Serbia have created fruitful collaboration with the Ministry of Agriculture, Forestry and Water Management, as well as Ministry of Environmental Protection in recent years. At present, there is an on-going project “Contribution of sustainable forest management to low emission and resilient development (GCP/SRB/002/GFF) and FAO is providing support to UNCCD 2018 national reporting process. Through both projects, FAO and relevant partners from the government have established strong partnership and channels of communication and decision-making; FAO’s relevant work with local Serbian institutions carried out in the past years, has also brought lessons learned and has strengthened the methodologies and mechanisms for monitoring and evaluations throughout the project cycle.

For this readiness proposal a similar mechanism will be applied; Project Steering Committee represented by FAO, NDA and other members of the Country Coordination Mechanism, will gather at least twice a year in order to monitor project implementation, discuss emerging problems/risks and identify possible mitigation actions. Additionally, National Project Manager will provide monthly monitoring and implementation reports to the LTO and NDA, summarizing progress made and identifying potential risks triggered and mitigation actions. The National Project Manager under the leadership of the LTO will assume responsibility for the preparation of interim reports and the completion report to be submitted to the GCF according to the GCF-FAO Framework Agreement. S/he will also act as a focal point for filing grievances raised by any of the stakeholders, if there is any need and bring the issues to the attention of the task force.

The potential risks that might affect the achievement of project objectives could be listed as following:

<b>Risk Category</b>	<b>Specific Risks</b>	<b>Likelihood of occurrence</b>	<b>Impact level</b>	<b>Risk mitigation actions</b>	<b>Entity Responsible to manage the risk</b>
Challenges in communicating/ coordinating with different	Due to multi-level, and multi-sectoral approaches in activities, and	Low	Low	This situation will be avoided by ensuring complementarity with other	NDA





stakeholders due to lack of interest	also due to the nature of the work to be conducted, there's some risk in not achieving strong participation of relevant stakeholders			initiatives and by strong leadership and coordination of the NDA. The Ministry of Agriculture will conduct regular consultations and negotiations with key relevant institutions to explain the importance of the planned project interventions. FAO will also use any opportunity to increase participation level of stakeholders.	
Lack of political buy-in on the importance of interventions related to NDC implementation	Political and economic context in the country is stable and a coordination mechanism on GCF matters is in place.	Low	Low	The project agreement between FAO and the NDA will be signed as soon as possible to avoid any delays in the implementation of the project. Regular meetings with the project steering committee will strengthen political buy in and ownership.	FAO/ NDA
Lack of interest /knowledge of private sector to participate in climate action in the Republic of Serbia	Preliminary discussions under Readiness 1 have shown that private sector is interested in exploring more opportunities for	Low	Low	To mitigate this risk the NDA will look for opportunities to establish a systematic dialogue with private sector based on country needs and priorities defined in	NDA/FAO



	collaboration with the government on different topics, including environmental and climate change, however the knowledge of the private sector on concrete actions is very low and therefore sometimes is difficult for PS actors to clearly see their role in climate action.			Country Work Programme	
Lack of knowledge and interest from national stakeholders on accreditation process	The accreditation process is a new and complicated topic that can raise expectations in the country. However, not many institutions have clear understanding on the requirements for accreditation and therefore lack of interest might be perceived	Low	Low	The project will provide tailored support and systematic information to ensure potential institutions have relevant information and are able to initiate the accreditation process.	FAO/NDA
Delays in implementation due to recruitment process for consultants under the project	Because of the limited number of experts available to be recruited with concrete and relevant experience on climate change and	Medium	Low	As a result of the implementation of the first readiness grant and as part of the work FAO conducts in the country, there's a pool of competent and	FAO/NDA



climate finance matters, there's a risk of delays in the start of the project.

very committed consultants to support the implementation of the second readiness grant.

Additionally, vacancy announcements will be published through different channels to attract different professionals to support the project.

Performance of the proposed project will be monitored using the project results framework, including indicators (baseline and targets) and Annual Work Plan and Budgets. At the inception phase of project implementation, the results framework will be reviewed with the Project Steering Committee members for any updated information relevant to the project implementation. The Inception Workshop Report and the subsequent six-monthly GCF Interim Progress Reports (IPRs) will be the main reports used for the monitoring and evaluation of project results. During the project implementation phase, FAO's LTO will carry out technical supervision missions. Lessons learned throughout the project will be reviewed and discussed at the terminal workshop.

To avoid any possible conflicts of interest deriving from the Delivery Partner's role as an Accredited Entity, the prioritization of technologies, potential investments or projects in the context of this readiness grant, will be made through a broad consultation process with relevant stakeholders, including other potential implementing entities for Serbia. The final validation of these priorities will be carried out through the country's own relevant coordination mechanism and institutional arrangements, with the participation of other government agencies, as well as representatives from civil society and private sector. The NDA deems relevant, to ensure chosen priorities are fully aligned with national plans, strategies and Country Work Programme and adequately includes inputs from consulted stakeholders.

5.1 Budget Plan

Please add rows for Outcomes, Outputs and Cost Categories as required. Additional budget categories may be added by manually typing them on the Budget Category sheet.

Outcomes		Detailed Budget (in US\$)							Disbursement Plan								
		FAO Budget categories	Budget notes number	Budget Categories <small>choose from the drop-down list</small>	Unit	# of Unit	Unit Cost	Total Budget <small>(per budget category)</small>	Total Budget <small>(per sub-outcome)</small>	Total Budget <small>(per outcome)</small>	6m	12m	18m	24m	30m	36m	
Outcome 1: Institutional capacity and coordination mechanisms in place to govern and coordinate climate action and finance	Sub-outcome 1.2. No-objection procedure for funding proposals and PPF applications	5013- Consultants Internationally Recruited	1	Consultant - Individual - International	W/Day	30	500	15,000	36,000	36,000	15,000						
		5013- Consultants Locally Recruited	2	Consultant - Individual - Local	W/Day	30	150	4,500			4,500						
		5023- Training and Workshop	3	Workshop/Training	Lumpsum	2	5,000	10,000			10,000						
		5021- Travel Duty	4	Travel - International	Trip	2	1,500	3,000			3,000						
		5014- Contracts	5	Audio Visual & Printing	Lumpsum	1	3,000	3,000			3,000		3,000				
		5024- Expendable procurement	6	Office Supplies	Lumpsum	1	500	500			500	500					
Outcome 2: Country Programming Process	Sub-outcome 2.3 Stakeholder engagement consultative processes	5013-Consultants Locally Recruited	7	Consultant - Individual - Local	W/Day	220	170	37,400	114,400	114,400	13,000	13,000	11,400				
		5014- Contracts	8	Professional Services – Companies/Firm	Lumpsum	1	30,000	30,000			15,000	15,000					
		5023-Training and Workshop	9	Workshop/Training	Lumpsum	1	4,000	4,000			4,000						
		5023-Training and Workshop	10	Workshop/Training	Lumpsum	1	5,000	5,000			5,000		5,000				
		5014-Contracts	11	Professional Services – Companies/Firm	Lumpsum	1	25,000	25,000			12,500	12,500					
		5014- Contracts	12	Audio Visual & Printing	Lumpsum	1	2,500	2,500			2,500	2,500					
		5024- Expendable procurement	13	Office Supplies	Lumpsum	1	500	500			500	500					
		5021-Travel Duty	14	Travel – Local	Trip	50	200	10,000			10,000	10,000					
Outcome 3: Direct Access to climate finance	Sub-outcome 3.1 Direct access entities nomination	5013-Consultants Locally Recruited	15	Consultant - Individual - Local	W/Day	210	160	33,600	95,600	95,600	11,200	11,200	11,200				
		5013- Consultants Locally Recruited	16	Consultant - Individual - Local	W/Day	75	150	11,250			4,000	4,000	3,250				
		5023- Training and Workshop	17	Workshop/Training	Lumpsum	2	2,500	5,000			3,500	1,500					
		5013- Consultants Internationally Recruited	18	Consultant - Individual - International	W/Day	75	450	33,750			12,000	12,000	9,750				
		5021- Travel Duty	19	Travel - International	trip	3	1,500	4,500			1,500	1,500	1,500				
		5014-Contracts	20	Professional Services – Companies/Firm	Lumpsum	1	5,000	5,000					5,000				
		5014-Contracts	21	Audio Visual & Printing	Lumpsum	1	2,500	2,500			2,500	2,500					
Outcome 4: Climate finance strategies and project pipeline strengthened	Sub-Outcome 4.3 Project concept Notes developed	5013- Consultants Internationally Recruited	22	Consultant - Individual - International	W/Day	30	500	15,000	31,000	31,000	10,000	5,000					
		5013- Consultants Locally Recruited	23	Consultant - Individual - Local	W/Day	30	150	4,500			2,250	2,250					
		5021- Travel Duty	24	Travel - International	Trip	2	1,500	3,000			1,500	1,500					
		5024- Expendable procurement	25	Office Supplies	Lumpsum	1	500	500			500	500					
		5023- Training and Workshop	26	Workshop/Training	Lumpsum	2	4,000	8,000			8,000	8,000					
		5013- Consultants Internationally Recruited	27	Consultant - Individual - International	W/Day	70	500	35,000			10,000	15,000	10,000				
		5021- Travel Duty	28	Travel - International	Trip	4	1,500	6,000			1,500	3,000	1,500				
		5013-Consultants Locally Recruited	29	Consultant - Individual - Local	Month	4	3,000	12,000			4,000	4,000	4,000				
		5013-Consultants Locally Recruited	30	Consultant - Individual - Local	Month	4	3,000	12,000			4,000	4,000	4,000				
		5021-Travel Duty	31	Travel – Local	Trip	9	200	1,800			600	600	600				
	Sub-Outcome 4.5: Private Sector Engagement	Sub-Outcome 4.5: Private Sector Engagement	5920-Training and Workshop	32	Workshop/Training	Lumpsum	3	3,000	9,000	100,000	229,800	3,000	3,000	3,000			
			5014-Contracts	33	Professional Services – Companies/Firm	Lumpsum	1	4,000	4,000				4,000				
			5013- Consultants Locally Recruited	34	Consultant - Individual - Local	W/Day	100	150	15,000			5,000	5,000	5,000			
			5014- Contracts	35	Audio Visual & Printing	Lumpsum	1	4,000	4,000				4,000				
			5013- Consultants Internationally Recruited	36	Consultant - Individual - International	W/Day	100	500	50,000			20,000	20,000	10,000			
			5013-Consultants Locally Recruited	37	Consultant - Individual - Local	Month	9	3,000	27,000			10,000	10,000	7,000			
5920-Training and Workshop	38	Workshop/Training	Lumpsum	3	3,000	9,000	3,000	3,000	3,000								
5014-Contracts	39	Professional Services – Companies/Firm	Lumpsum	1	4,000	4,000	2,000	2,000									
5014-Contracts	40	Audio Visual & Printing	Lumpsum	1	4,000	4,000	2,000	2,000									

		5021- Travel Duty	41	Travel - International	Trip	4	1,500	6,000			3,000	1,500	1,500			
<b>Total Outcome Budget</b>										<b>475,800.00</b>	203,050	181,050	91,700	-	-	-
<b>Project Management Cost (PMC)</b> Up to 7.5% of Total Activity Budget	<b>5543-Consultants Locally Recruited</b>	42	Consultant - Individual - Local	month	18	675.00	12,150.00	35,900.00	Percentage of PMC requested:  <b>7.5%</b>							
	<b>5543-Consultants Locally Recruited</b>	43	Consultant - Individual - Local	month	18	625.00	11,250.00									
	<b>5021- Travel Duty</b>	44	Travel - International	Trip	3	1,500.00	4,500.00									
	<b>6300- General Operating Expenses</b>	45	Office Supplies	lumpsum	8	1,000.00	8,000.00									

FOR GREEN CLIMATE FUND SECRETARIAT'S USE ONLY

Breakdown (per budget category)			Total (per budget category)
Audio Visual & Printing			16,000
Audit Fee			-
Consultant - Individual - International			148,750
Consultant - Individual - Local			180,650
Professional Services – Companies/Firm			68,000
IT Equipment			-
Office Supplies			9,500
Travel - International			27,000
Travel – Local			11,800
Workshop/Training			50,000
0			-
0			-
0			-
0			-
0			-
<b>Total Outcome Budget + PMC</b>			<b>511,700</b>

FOR GREEN CLIMATE FUND SECRETARIAT'S USE ONLY

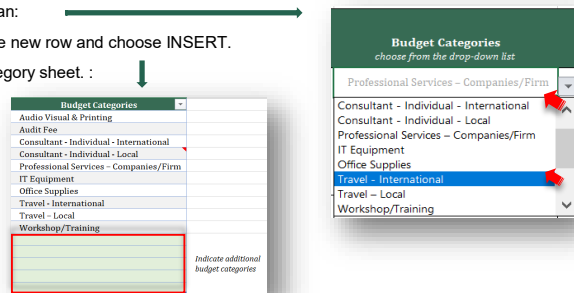
<b>Total Outcome Budget</b>		<b>475,800</b>
<b>Project Management Cost (PMC)</b>	7.5% requested	<b>35,900</b>
<b>Contingency</b>	1% requested	<b>4,758</b>
<hr/>		
<b>Sub-Total</b> (Total Outcome Budget + Contingency + PMC)		<b>516,458</b>
<b>Delivery Partner Fee (DP)</b> - Up to 8.5% of the Sub-Total		<b>43,899</b>
<hr/>		
<b>Total Project Budget</b> (Total Activity Budget + Contingency + PMC + DP)		<b>\$ 560,357</b>

# Readiness and Preparatory Support Budget and Procurement Plan

## Readiness Grant Budget Preparation Guidelines

The following considerations are important when completing the budget:

1. Before preparing the Readiness and PPF budget, please read the full guidance on our website (<https://www.greencimate.fund/how-we-work/empowering-countries>).
2. You can select the appropriate budget categories from the dropdown list in the budget plan:
3. To insert additional rows, right click on the row number below where you wish to insert the new row and choose INSERT.
4. Additional budget categories may be added by manually typing them on the Budget Category sheet. :



### Project Management Cost:

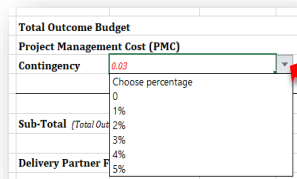
Project management costs (PMC) are the direct administrative costs incurred to execute a project. They should cover only incremental costs incurred due to the GCF contribution. In most cases, these costs are directly related to the support of a dedicated project management unit (PMU) which manages the day to day execution related activities of the project.

#### General Principles for PMC costs:

1. The percentage of PMC financed by GCF should not be more than the percentage share of the overall budget financed by GCF
2. PMC budget thresholds: Up to 7.5 per cent of total activity budget.
  - > PMC exceeding 7.5 per cent for the readiness (including NAPs) proposals, and PPF proposals, up to \$ 3 million will require detailed documentation and justification supporting the entire PMC budget.
  - > The PMC should be shown as a separate component in the project budget. A detailed breakdown of PMC should be provided by budget category.
  - > Indicative list of eligible project management costs:
    - > **Project staffing and consultants:** Project manager, Project Assistant, Procurement personnel, Finance personnel & Support/admin. Personnel
    - > **Other direct costs:** Office equipment, Mission related travel cost of the PMU, Project management systems and information technology, Office supplies, Audit cost

### Contingency :

1. Select the appropriate % of Contingency Budget from the dropdown list :



2. Contingency budget for unforeseen costs arising during the project implementation should not be included in the outcome budget separately.
3. Contingency budget must be used for any unforeseen programme (output level) cost that is unrelated to implementation/service fee.
4. Any use of contingency must be reported to and agreed by the GCF Secretariat in writing in advance provided with justifications that are acceptable to the GCF
5. If you get to the end of the project and you haven't spent Contingency, you can't increase the scope of the project or buy some more equipment to use it up.
6. The Budget Notes sheet should be used to record explanations, further details or cost breakdowns for individual lines



Budget Note	Detailed Description
1	One international consultant to lead the review of the prioritization tool and development of guidance materials. Hired for 30 W/days according to FAO honorarium scale
2	One national consultant to support activities under sub-outcome 1.2. related to the review of prioritization tool and strengthening the capacities of the NDA and other stakeholders for assessing GCF projects. Hired for 30 W/days according to FAO honorarium scale.
3	2 workshops (45-50 participants) for the discussion and validation of the prioritization tool. Workshop to take place in Belgrade and the estimated cost includes venue, catering, translation.
4	2 travels of the international consultant to Belgrade to engage with the NDA and other ministries for the review of the prioritization tool. Estimated cost includes travel and DSA according to FAO/UN travel policy.
5	Design and printing of guidance materials on the prioritization tool for GCF projects.
6	Office supplies to support the development of activities under sub-outcome 1.2.
7	One National Team leader to support the NDA to coordinate the work on GCF readiness implementation by engaging with stakeholders, Government institutions and consultants on technical matters. Hired for 220 W/days in an 18 month period according to FAO honorarium scale.
8	Service provider to develop a communication strategy and all materials and audiovisuals needed for the awareness raising campaign. This is envisaged to be a marketing and public relations company.
9	Inception workshop for 40-50 participants, to be conducted in Belgrade according to FAO experience in the country.
10	1 two-day training with different stakeholders including local governments, academia, civil society and private sector (100 participants from different parts of the country) in the context of the awareness raising campaign, according to FAO experience in the country..



Budget Categories
Audio Visual & Printing
Audit Fee
Consultant - Individual - International
Consultant - Individual - Local
Professional Services – Companies/Firm
IT Equipment
Office Supplies
Travel - International
Travel – Local
Workshop/Training

*Indicate additional budget categories*

## 5.2 Procurement Plan

For goods, services, and consultancies to be procured, please list the items, descriptions in relation to the activities in Section 3, estimated cost, procurement method, relevant threshold, and the estimated dates. Please include the procurement plan for at least the first tranche of disbursement requested below and provide a full procurement plan for the entire duration of the implementation period if available at this stage.

Item	Item Description	Estimated Cost (US\$)	Procurement Method	Thresholds (Min-Max monetary value for which indicated procurement method must be used)	Estimated Start Date	Projected Contracting Date
<b>Goods and Non-Consulting Services</b>						
Translation Services	Translation related to the awareness raising campaign and other materials within the project	68,000.00	Invitation to Bid (Open Submission)	\$5000-\$25000	1-Jun-2020	1-Jul-2020
Audiovisual and Printing	Audiovisual material related to the awareness raising campaign and other materials within the project	16,000.00	Invitation to Bid (Open Submission)	\$5000-\$25000	1-Jun-2020	1-Jul-2020
Office Supplies	Stationery needed for project implementation	9,500.00	Direct Procurement	\$0-\$500	1-Jun-2020	1-Jul-2020
Workshops	Venue and refreshments for 20-50 participants	50,000.00	Request for quotation	\$500-\$5000	According to work plan	1 month before
Local Travel	Travel Costs	11,800.00	UN travel policy	N/A	According to work plan	15 days before travel
International Travel	Travel Costs	27,000.00	UN travel policy	N/A	According to work plan	15 days before travel
<b>Sub-Total (US\$)</b>		<b>\$ 182,300.00</b>				
<b>Consultancy Services</b>						
National Consultant	National prioritization tool consultant	4,500.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
National Consultant	National team leader	37,400.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
National Consultant	National Accreditation consultant	33,600.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
National Consultant	National Accreditation Consultant (financial standards specialist)	11,250.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
National Consultant	National AE Matchmaking exercise consultant	4,500.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
National Consultant	National climate change specialist for CN 1	12,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
National Consultant	National climate change specialist for CN 2	12,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
National Consultant	National Gender and ESS consultant	15,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
National Consultant	National Private Sector Specialist	27,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
National Consultant	Project Manager	12,150.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
National Consultant	Administrative Assistant	11,250.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
International Consultant	International prioritization tool consultant	15,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
International Consultant	International AE matchmaking exercise consultant	15,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
International Consultant	International Expert to lead CN development	35,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
International Consultant	International Expert on Accreditation	33,750.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-20
International Consultant	International Private Sector Specialist	50,000.00	Vacancy announcement / FAO Roster	N/A	1-Jun-20	1-Jul-2020
<b>Sub-Total (US\$)</b>		<b>\$ 329,400.00</b>				