
Annual Performance Report

Project/Programme title:	Enhancing the resilience of Serbian forests to ensure energy security of the most vulnerable while contributing to their livelihoods and carbon sequestration (FOREST Invest) (FP260)
Accredited Entity:	Food and Agriculture Organization of the United Nations (FAO)
Date of Report submission:	16 April 2026
Version number	V1.0



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RATIONALE

This report layout is designed to support the drafting of a structured report that assesses, evaluates, documents, and communicates the progress on Funding Proposal (FP) implementation and on its associated Funded Activity Agreement (FAA). The layout aims to provide a clear and comprehensive understanding of key objectives, progress, and risks, drawing on project implementation related data provided by Accredited Entities (AEs). Considering the Green Climate Fund's (GCF) evolving strategic direction toward a Risk-Based Approach, the report is intended to:

- Track quantitative and qualitative progress of the project implementation.
- Highlight critical findings and emerging trends.
- Identify risks and propose actionable mitigation strategies.
- Support evidence-based decision-making.
- Promote transparency and accountability.
- Align with strategic and regulatory frameworks.
- Serve as a foundation for AE engagement on project performance

METHODOLOGY

The report's layout mirrors, to the extent possible, the structure of the Funding Proposal (FP) to maintain coherence with the presented information. However, the FP and the Report differ in scope and strategic intent; thus, while the FP serves a functional role in informing the Report, it does not dictate a strictly parallel structure.

A. PROJECT DATA (Prefilled where possible)																
Should any information/data prefilled from Section A.1 to Section A.12 be incorrect or require updating, please inform GCF's Project Lead of appropriate corrective action.																
A.1. Date of report submission		16 April 2026														
A.2. Project or programme	Project	A.3. Sector	Public													
A.4. Total Financing (GCF + Cofinance)	<table border="1"> <tr> <td>GCF Financing</td> <td>Mill. USD 25.0</td> </tr> <tr> <td>Grants</td> <td>Mill. USD 25.0</td> </tr> <tr> <td>Co-Financing</td> <td>Mill. USD 58.8</td> </tr> <tr> <td>Grants</td> <td>Mill. USD 0.475</td> </tr> <tr> <td>InKind</td> <td>Mill. USD 58.3</td> </tr> <tr> <td>Total Financing</td> <td>Mill. USD 83.8</td> </tr> </table>				GCF Financing	Mill. USD 25.0	Grants	Mill. USD 25.0	Co-Financing	Mill. USD 58.8	Grants	Mill. USD 0.475	InKind	Mill. USD 58.3	Total Financing	Mill. USD 83.8
	GCF Financing	Mill. USD 25.0														
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	Co-Financing	Mill. USD 58.8														
	Grants	Mill. USD 0.475														
	InKind	Mill. USD 58.3														
	Total Financing	Mill. USD 83.8														
A.5. Total GCF funding disbursed to this date	NA (draft)															
A.6. Implementation period	From NA to NA															
A.7. ESS Category (Refers to GCF revised <u>Environmental and Social Policy</u> and GCF ESS Standards to assess your FP category.)			Category B													
A.8. Executing Entity Information																
Full legal name	Country of registration (or, for intl orgs, country of HQ)	Entity type	Role in project	Focal Point(s) and email(s)												
Food and Agriculture Organization of the United Nations	Italy	UN System Entity – a specialized agency, subsidiary organ or other part of the UN system	Executing Entity	fao-rs@fao.org												
Government of the Republic of Serbia through MOAFWM	Serbia	Public sector – Government (which may be acting through a ministry or department)	Executing Entity	kabinet.info@minpolj.gov.rs												
Serbia Shume "Srbijašume"	Serbia	Publicly owned enterprise	Executing Entity	kabinet@srbijasume.rs												
Voivodina Shume "Vojvodinašume"	Serbia	Publicly owned enterprise	Executing Entity	direktor@vojvodinasume.rs												

A.9. Co-Financier information				
Full legal name	Country of registration <i>(or, for intl orgs, country of HQ)</i>	Focal Point(s) and email(s)	Ownership Type	Beneficial Owner(s)
Ministry of Agriculture, Forestry and Water Management	Serbia	kabinet.info@minpolj.gov.rs	Government	Government of the Republic of Serbia
Serbia Shume "Srbijašume"	Serbia	kabinet@srbijasume.rs	Government	Government of the Republic of Serbia
VoVoivodina Shume "Vojvodinašume"	Serbia	direktor@vojvodinasume.rs	Government	Government of the Republic of Serbia
FAO	Serbia	fao-rs@fao.org	UN System Entity	Not applicable – UN System Entity

A.10. Alignment with country NDCs & NAP <i>(NB Only populate if applicable, e.g., if your project/programme specifically contributes to a country's NDC or NAP target/s)</i>				
Country	Date of NDC/ NAP submission	NDC/ NAP objective	Brief description of project's alignment with NDC/ NAP objectives	Percentage of target met with proposed project.Beneficial owner(s)
Serbia	1 September 2025	Strengthen climate change mitigation and adaptation, including enhancement of forest carbon sinks and climate-resilient forest ecosystems	The FOREST Invest project directly supports Serbia's NDC and NAP objectives by strengthening climate-adaptive forest management, enhancing forest carbon sequestration, improving forest monitoring systems, and increasing the resilience of forest ecosystems and forest-dependent communities to climate change. The project contributes to both mitigation (carbon sinks, decarbonization pathways) and adaptation (ecosystem resilience, climate risk reduction) priorities identified in Serbia's national climate framework.	100%

A.11. Estimated duration of impact	
A.12 Report to be shared with NDA	Yes ☐ No ☐

B. EXECUTIVE SUMMARY

Should any information/data prefilled in Section “B” be incorrect or require updating, please inform GCF’s Project Lead for appropriate corrective action.

B.1. Summary

Serbia’s forests are essential for climate resilience, rural livelihoods and energy security. However, rising temperatures, droughts and extreme weather events increasingly affect forest ecosystems and their capacity to function as stable carbon sinks, while reliance on fuelwood for household heating in rural areas continues to place pressure on forest resources.

During the reporting period, the FOREST Invest project focused on establishing institutional and analytical foundations to support climate change adaptation and mitigation in Serbia’s forestry sector. Key achievements included analytical preparation, institutional coordination, and technical groundwork related to forest monitoring, climate adaptive silviculture (CAS) approaches, and carbon accounting. These efforts strengthen Serbia’s capacity to integrate climate risk considerations into forest management planning and protect the long-term carbon sequestration potential of forest ecosystems.

The main challenge was aligning project activities with evolving national forest monitoring and policy frameworks, which required flexible sequencing and close coordination with national institutions. A key lesson learned is that alignment with national systems strengthens institutional ownership and increases the likelihood of durable climate impacts.

While large-scale restoration investments will occur in later phases, 2025 activities have already established enabling conditions for scaling climate change adaptation and mitigation and improving energy security for rural households dependent on fuelwood.

C. RESULTS AND IMPACTS

C.1. Overall Summary of the Project Progress

(This section provides a narrative report summarizing the overall progress of the implementation status of the funded activity progress during the reporting period. 1,500 words)

Overall Progress in 2025

During the reporting period, the FOREST Invest project focused on establishing the institutional, technical and operational foundations required for the implementation of climate-adaptive forestry interventions in Serbia. These efforts contribute to strengthen the resilience of forest ecosystems while increasing the contribution of forests to climate change mitigation, adaptation and sustainable rural development, in line with Serbia's Nationally Determined Contribution (NDC) and national climate policy framework.

Key achievements during the reporting period included:

- initiation of the methodological framework for Climate Adaptive Silviculture (CAS);
- strengthening institutional dialogue on forest-based climate change mitigation and adaptation, including related monitoring systems; and
- preparation of technical and institutional conditions necessary for future climate-adaptive forest restoration investments.

The activities represent an important step toward implementation readiness. They established the analytical, institutional and operational basis for scaling climate-resilient forest management practices and forest-based mitigation and adaptation actions in the coming years.

While quantitative indicator progress will materialize more visibly during the investment phase, the 2025 activities provided the institutional and technical framework necessary for the subsequent implementation of restoration investments, climate-adaptive forest management and improved forest monitoring. Progress achieved during the reporting period contributes directly to establishing the enabling environment necessary for achieving the project's outputs and outcomes, as reflected in the logical framework indicators reported in Section C.2.

Through these initial steps, the project has begun shaping a systemic transition pathway in Serbia's forestry sector by linking improved forest monitoring systems, climate-adaptive silvicultural practices and restoration investments with emerging forest-based mitigation opportunities and long-term climate resilience objectives. This integrated approach strengthens the role of forests within Serbia's climate mitigation and adaptation strategies and supports the gradual transition toward climate-adaptive and evidence-based forest management systems.

Key Achievements by Component

Component 1 – Monitoring and analytical systems

During the reporting period, the project initiated work to strengthen the analytical and monitoring capacities for climate-adaptive forest management and forest-based climate change mitigation. Technical consultations were conducted with national forestry institutions to improve the national monitoring, reporting and verification (MRV) system to better capture forestry-based mitigation activities.

These discussions increased institutional understanding of carbon accounting methodologies and the potential role of forests within Serbia's broader decarbonization strategy.

In parallel, analytical discussions were initiated on strengthening national forest monitoring capacities to better capture forest ecosystem condition, climate-related risks and carbon dynamics. These activities represent an important early step in developing the technical and institutional capacities required for improved monitoring of forest ecosystem resilience and provide a basis for integrating forest-based mitigation activities into national climate policy frameworks.

Component 2 – Climate-adaptive forest restoration investments

Preparatory work was undertaken to support planning of climate-adaptive forest restoration investments, particularly afforestation and coppice forest conversion activities under Output 2.3. Technical studies were reviewed and geospatial analyses of potential afforestation and restoration areas across Serbia were conducted in support of investment planning and alignment with national forest management plans.

Institutional coordination between forestry institutions and technical partners responsible for restoration activities was strengthened, helping to clarify roles and responsibilities for future restoration work. As a result, the project now has a more robust technical, operational and institutional platform for launching restoration investments in subsequent phases of the project.

Through these preparatory steps, the project contributed to the identification of priority restoration areas and contributed to ensuring that future afforestation and restoration interventions are aligned with national forest management planning frameworks, climate adaptation objectives and long-term forest ecosystem resilience.

Component 3 – Institutional coordination and enabling environment

The project maintained active engagement with national stakeholders through consultations and coordination meetings involving forestry institutions, research organizations, professional associations and public forest enterprises.

These activities strengthened institutional coordination and supported alignment between project implementation and Serbia's existing forestry governance framework. They also contributed to building the enabling institutional environment necessary for the integration of climate-adaptive forestry approaches into national forest management systems and future climate mitigation initiatives.

Strengthening cooperation among national institutions during the reporting period represents an important step toward embedding project interventions within existing governance structures and ensuring their sustainability beyond the project lifecycle.

Innovations and Emerging Good Practices

The project is introducing CAS as an innovative methodological framework aimed at integrating climate risk considerations into forest management planning and silvicultural practices.

CAS builds on Serbia's established close-to-nature forestry tradition while introducing climate adaptation considerations, improved monitoring approaches and evidence-based decision-making tools.

The collaborative development of CAS methods with national forestry institutions represents an emerging good practice that strengthens national ownership while ensuring that climate-adaptive approaches are integrated within existing forest management systems.

By embedding climate adaptation considerations directly within established forest management planning processes, the project supports the gradual modernization of the national forestry management framework while reducing implementation risks and increasing scalability across Serbia.

CAS therefore represents an important step toward operationalizing climate change mitigation and adaptation within forest management systems and strengthening the long-term climate resilience of forest ecosystems.

Challenges and Risk Mitigation

As a complex investment project involving multiple forestry institutions and stakeholders, the initial phase of project implementation required significant preparatory work to establish the technical, institutional and operational conditions necessary for large-scale forest restoration investments.

Ensuring alignment with existing forest governance frameworks, technical standards and institutional responsibilities required extensive consultations and coordination among national stakeholders.

In addition, forestry restoration activities are influenced by biological cycles and seasonal operational windows, which require careful planning of nursery production, seed availability and planting schedules.

To address these challenges, the project prioritized stakeholder engagement, institutional coordination and technical preparatory work during the reporting period. These measures contributed to strengthening cooperation among national institutions, reducing implementation risks and progressively establishing the conditions necessary for the operational phase of the project.

Key operational and contextual risks and corresponding mitigation measures are described in Section D.

No Change Requests were submitted during the 2025 reporting period and a Mid-Term Evaluation has not yet been conducted.

Complementary National Measures Supporting Project Objectives

While not reported as project results, complementary national measures implemented during 2025 contributed to an enabling environment for achieving the project's outcomes.

National institutions continued implementing public programmes supporting sustainable forest management, forest restoration, professional capacity development and forest infrastructure development.

These activities broadly covered areas directly related to the project's objectives, including forest monitoring and planning, afforestation and forest restoration programmes, professional training and technical studies, as well as construction and rehabilitation of forest road infrastructure.

Although financed through national programmes and reported separately from the FOREST Invest project implementation and co-financing structure, these measures demonstrate strong national ownership and contribute to creating favourable conditions for scaling climate-adaptive forest restoration investments supported by the project.

Priorities for 2026

In 2026, the project will shift from preparatory work to operational implementation.

Priority activities will include further development and operationalization of CAS methods, strengthening forest monitoring and analytical capacities, and continuing institutional dialogue on carbon accounting and MRV approaches relevant for forestry-based climate change mitigation and adaptation.

The project will also focus on initiating climate-adaptive afforestation, forest restoration and coppice forest conversion interventions under Output 2.3 in cooperation with national forestry institutions and technical partners responsible for restoration activities.

These efforts will mark the start of large-scale field interventions and produce the first tangible on-the-ground results in terms of climate-adaptive forest management, contributing directly to the project's long-term mitigation and adaptation goals.

C.2. Performance against the Funding Proposal Logical Framework Indicators

For each of the indicators please report only the 'annual value' for the reporting year; this means reporting solely the values achieved from January 1st, 2025, to December 31st, 2025. The "cumulative value" will automatically be updated by the system by aggregating reported annual values since project FAA effectiveness.

Please ensure that targets are clearly defined and reported using the following categories:

- *Midterm Target: The results to be achieved by the midpoint of implementation.*
- *Final Target: The results to be achieved by the conclusion of project or programme implementation.*
- *Lifetime Target: The total results expected over the entire operational period of the project or programme.*

Note that the baseline, midterm, final and lifetime targets will be prefilled based on your previous Annual Performance Report and/or Funding Proposal. It is imperative that you carefully review, verify and update where relevant.

Should the project be Multicountry, please report the achievement by Country.

Lastly, avoid using commas or periods as thousand separators. Periods should only be used as decimal separators.

For REDD+ Results-Based Payment (RBP) projects, you are only required to report on the progress of activities.

Should any prefilled information/data in the Logical Framework be incorrect or require updating, please inform GCF's Project Lead for appropriate corrective action.

GCF Outcome Level: Standardized Indicators

PMF/IRMF Results Management Framework

No indicators/questions defined.

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered						
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq) as a result of GCF support.						
Unit					Tonnes of CO ₂ -equivalent	
Baseline	Target			Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target	Lifetime			
0	387,651	1,388,868	8,415,787	0	0	0

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq) as a result of GCF support, disaggregated by result area.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Result Areas (Mitigation)	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Energy Generation and Access	0	46,297	108,025	416,667	0	0	0
Buildings, cities, industries and appliances	0	46,297	108,025	416,667	0	0	0
Forestry and land use	0	295,057	1,172,818	7,582,454	0	0	0

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq), disaggregated by Country.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Serbia	0	387,651	1,388,868	8,415,787	0	0	0

Forestry and land use

No indicators/questions defined.

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO ₂ emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices					
Provide the total degraded or converted ecosystems under restoration (ha).					
Unit					Hectares
Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value (automatically calculated)
	Mid-term	Final target			
0	279,000	559,000	0	0	0

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO ₂ emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices						
Provide the total degraded or converted ecosystems under restoration (ha), disaggregated by country.						
Unit						Hectares
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Serbia	0	279,000	559,000	0	0	0



(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by result area.
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Unit						No. of Beneficiaries
Disaggregation by: Result Areas (Adaptation)	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Livelihoods of people and communities	0	1,219,877	2,846,380	0	0	0
Ecosystem and ecosystem services	0	1,219,877	2,846,380	0	0	0

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	597,740	1,394,726	0	0	0
Female	0	622,137	1,451,654	0	0	0

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.						
Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Serbia	0	1,219,877	2,846,380	0	0	0

Infrastructure and built environment

No indicators/questions defined.

(PMF) A3.1 Number and value of physical assets made more resilient to climate variability and change, considering human benefits (reported where applicable) (IRMF) Core 3 Value of physical assets made more resilient to the effects of climate change and/or more able to reduce GHG emissions					
Provide the total estimated value (USD) of physical assets made more resilient to climate change impacts in the targeted geographic areas.					
Unit					United States dollars
Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value (automatically calculated)
	Mid-term	Final target			
5,450,000	6,900,000	20,725,000	0	7,889,758	7,889,758

(PMF) A3.1 Number and value of physical assets made more resilient to climate variability and change, considering human benefits (reported where applicable) (IRMF) Core 3 Value of physical assets made more resilient to the effects of climate change and/or more able to reduce GHG emissions					
Provide the total estimated value (USD) of physical assets made more resilient to climate change impacts in the targeted geographic areas, disaggregated by country.					

Unit						United States dollars
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Serbia	5,450,000	6,900,000	20,725,000	0	7,889,758	7,889,758

(PMF) A3.1 Number and value of physical assets made more resilient to climate variability and change, considering human benefits (reported where applicable) (IRMF) Core 3 Value of physical assets made more resilient to the effects of climate change and/or more able to reduce GHG emissions						
Provide the total estimated value (USD) of physical assets made more resilient to climate change impacts in the targeted geographic areas, disaggregated by asset type.						
Unit						United States dollars
Disaggregation by: Physical asset types (made more resilient)	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Transport infrastructure	5,450,000	6,900,000	20,725,000	0	7,889,758	7,889,758

Project Specific Indicators							
Indicator	Unit	Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value (automatically calculated)
			Mid-term	Final target			
# of Communities involved in climate adaptive forest investment and management trainings	No. of Communities	0	34	174	0	0	0
# of Guidelines to support CAS approaches published online	No. of Strategic Frameworks	0	4	4	0	0	0
# of public and private stakeholders with increased capacities in CAS	No. of Stakeholders	0	350	1,750	0	0	0
# of upgraded national curricula of the faculty of forestry and vocational schools	No. of Items	0	0	6	0	0	0
# of Academic and training institutions integrating climate change in curricula	No. of Institutions	0	4	4	0	0	0
# of public and private operators with increased capacities in the production of	No. of Entities	0	70	140	0	0	0

climate adaptive forestry seedling							
# Public Nurseries upgraded	No. of Items	0	2	2	0	0	0
Average increase of biomass growth per hectare in M3	Cubic metres	4	5	5	0	0	0
Average survival rate per ha (%) of planted seedling	Percentage	50	85	85	0	0	0
# of guidance documents elaborated and submitted for council of minister approval	No. of Knowledge Products/Resources	0	2	2	0	0	0
# of mechanisms elaborated and submitted for council of minister approval	No. of Coordination Mechanisms	0	2	2	0	0	0
# of public and private stakeholders capacitated on carbon finance	No. of Stakeholders	0	30	108	0	0	0
# of capacitated trainees on climate-related risks	No. of Persons	0	10	10	0	0	0
# Standards for fuelwood finalized and validated	No. of Strategic Frameworks	0	1	1	0	0	0
# Guidelines for national decision makers on AFOLU to prevent soil degradation	No. of Strategic Frameworks	0	1	1	0	0	0
# Guidelines for SRP developed and validated	No. of Strategic Frameworks	0	1	1	0	0	0
# of citizens reached by gender	No. of Persons	0	3,000	10,000	0	0	0
NFM updated and operational	No. of Policy Instruments	0	1	1	0	0	0
% inability to keep house warm	Percentage	0	9	9	0	0	0
# of enterprises benefitting from services to develop decarbonization strategies	No. of Entities	0	5	50	0	0	0

USD loan disbursed to support decarbonization of companies	United States dollars	0	15,000,000	50,000,000	0	0	0
# of Academic and training institutions integrate introduced technologies, practices, standards and protocols in their curricula	No. of Institutions	0	0	3	0	0	0
# of national policies and regulatory frameworks integrated with CAS approaches	No. of Policy Instruments	0	1	3	0	0	0
% reduction of fuelwood consumption of HH in pilot areas	Percentage	0	6	6	0	0	0
Ha of forests included in the forest management plans with increased species composition and changes in structure	Hectares	0	250,000	500,000	0	0	0
# of ha rehabilitated through agroforestry, SRP	Hectares	0	200	500	0	0	0
# companies trained on utilization of biomass residues for energy purposes	No. of Entities	0	30	80	0	0	0
# ha with improved soil quality (Phosphorus, Reactive Carbon, Soil Electrical Conductivity, Soil Nitrate and Soil PH)	Hectares	0	286	1,000	0	0	0
# of extensionists capacitated on CAS through training	No. of Items	0	21	70	0	0	0

# of gender-inclusive biomass platforms established and /or strengthened	No. of knowledge-sharing events/platforms	0	1	1	0	0	0
# of ha of not managed and degraded private coppice stands converted into high forests	Hectares	0	6,000	18,000	0	0	0
# of ha of shelterbelts established	Hectares	0	200	500	0	0	0
Average increase of biomass growth per hectare in M3 of converted coppice stands	Cubic metres	4	5	5	0	0	0
Increase of investments in USD of national finance institution in support to agrifood companies' adaptation and decarbonization strategies	United States dollars	0	15,000,000	50,000,000	0	0	0
Km of forest roads rehabilitated and climate proofed	Kilometres	0	126	376	0	249	249
Total volumes in t of sustainable fuel biomass traded through the biomass trading platforms	Metric tonnes	0	500	1,000	0	0	0
Increase of investments in USD of national finance institution in support to agrifood companies' adaptation and decarbonization strategies	United States dollars	0	15,000,000	50,000,000	0	0	0
# ha afforested	Hectares	0	2,330	7,000	0	0	0
# of ha of degraded public coppice stands converted into high forest	Hectares	0	11,000	33,000	0	0	0
# of trainers capacitated on	No. of Persons	0	16	56	0	0	0

reforestation and conversion techniques							
Km of forest roads rehabilitated and climate proofed	Kilometres	0	56	169	0	112	112
Increase (%) in species diversity per hectare in project areas	Percentage	3	5	10	0	0	0
% Increase participation of women in executing bodies deciding on investments in forestry and decarbonization	Percentage	0	30	30	0	0	0
% decrease in share of persons at-risk-of poverty in project intervention areas due to savings in fuelwood expenditures, increased availability of NTFP and employment opportunities in forestry related sectors.	Percentage	0	2	5	0	0	0

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
1.1.1 Establish the National Forest Monitoring System (NFMA)	5	10,935	767,901	1
1.1.2 Develop guidelines for decision makers on AFOLU to prevent soil degradation	15	0	20,750	0
1.1.3 Create national standard for biomass production / handling for energy purposes.	5	0	155,500	0
1.1.4 Develop the national strategy, action plan and execution guidelines for Short Rotation Plantations (SRP)	0	0	145,414	0

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
1.2.1 Support the design of an offset mechanism [for AFOLU] as part of the domestic carbon pricing framework and institutionalize knowledge in the national curricula.	5	0	289,050	0
1.2.2 Support the development of Serbia's Article 6 strategy related to "AFOLU" opportunities	5	0	165,097	0
1.2.3 Promote and support knowledge-sharing at the regional level	0	0	0	0
1.2.4 Support access to voluntary carbon finance for forestry to enable sequestration beyond NDC targets and to ensure long term sustainability	5	0	77,250	0
1.2.5 Enable inseting as part of company decarbonization strategy support	5	0	114,750	0
2.1.1 Upgrade public nurseries (Vojvodina/C. Serbia)	5	0	4,078,779	0
2.1.2 Train and support operators of public and private nurseries in the production of diverse and climate adaptive forestry seedlings	0	0	86,144	0
2.2.1 Produce guidelines on climate adaptive silviculture	15	0	21,600	0
2.2.2 Train public and private stakeholders in climate adaptive silviculture (CAS)	0	0	0	0
2.2.3 Upgrade the National curricula of the faculty of forestry and vocational schools working on forestry, agriculture and accounting with introduced practices and technologies	0	0	39,000	0
2.2.4 Facilitate regional knowledge-sharing dialogue on CAS	0	0	9,500	0
2.3.1 Carry out afforestation activities on public land.	5	0	6,882,659	0
2.3.2 Convert degraded coppice stands on public forest into high forest.	5	0	3,228,576	0
3.1.1 Convert degraded private coppice stands into high forest	5	44,879	2,849,190	1
3.1.2 Rehabilitate unfarmed private lands through forestry investments such as short	0	0	869,053	0

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
rotation plantations, agro-forestry or soil rehabilitation purposes (Vojvodina)				
3.1.3 Establish shelterbelts in agricultural landscapes	3	56,649	773,138	7
3.1.4 Engage private actors in sustainable biomass value chains	0	0	76,464	0
3.1.5 Support platforms involving stakeholders of the forestry and agricultural sector for a modern and transparent biomass energy value chain	5	0	112,000	0
3.2.1 Involve agribusiness and other companies in the decarbonization process of the private sector.	0	0	1,376,000	0
3.2.2 De-constrain access to credit for agribusiness and other companies.	0	0	1,500,000	0
3.3.1 Support the chamber of commerce and industry and the association of financial institutions to assess climate-related risk of banks and ensure client engagement	0	0	100,000	0
3.3.2 Support to the chamber of commerce and industry and the association of financial institutions and academia to train decarbonization service providers.	0	0	120,000	0

C.2.1. Subprojects							
Where applicable, include information on sub-projects. For projects and programmes approved until B.31, the logical framework should focus on the mitigation and adaptation Performance Measurement Frameworks (PMF). For projects and programmes approved from B.32 onwards, the logical framework should reflect the Integrated Results Management Framework (IRMF).							
Title	Currency	GCF Funds	Co-Financing	Country	GHG Emissions Reduced	Direct Beneficiaries	Indirect Beneficiaries
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
C.3. Compliance with FAA covenants				Yes ☒ No ☐			

C.4. Funded Activity Implementation Arrangements in the Following Year	Yes ☐ No ☒
N/A	

D. RISKS ASSESSMENT AND MANAGEMENT

D.1. Risk and mitigation measures

As stated in the Board-approved "Risk Appetite Statement," a cornerstone of the GCF's Risk Framework is proactive risk management. This includes risk identification, assessment, monitoring, reporting and appropriate mitigation to minimize and respond to risks, both directly and through partners implementing GCF's projects and programmes.

Risk Management Matrix

A risk is the probability of an event to adversely affect the achievement of the project Impact (its objectives, outcomes, and results). "Inherent risk" refers to the level of risk present before any of the mitigating measures are applied. "Residual risk" represents the level of risk after mitigating measures have been implemented.

Please update the project risk matrix by reviewing and revising information for all previously identified risks, and adding any new risks identified during implementation by selecting the adequate Risk Area in the drop-down menu. For each risk, ensure you provide a clear risk description, outline the potential negative consequences, specify the mitigating measures in place, and complete the severity scoring as required.

For the Integrity Risk Area, an annual reporting (and more frequent and prompt reporting if stated in the legal agreements with the GCF) is required for each of its 3 Risk Sub-areas, as GCF has zero tolerance for Prohibited Practices, for SEAH in Fund-related Activities, and for working with parties and engaging in activities subject to sanctions imposed by the United Nations Security Council. The AE reporting obligations under GCF's policies and in the legal agreement(s) with the GCF include but are not limited to requiring AEs to take action to identify, mitigate and promptly disclose to the GCF any real or perceived Conflict of Interest, any alleged or suspected Prohibited Practice, promptly notify the Fund of any material risks or other indications of money laundering and/or financing of terrorism in relation to the Project and promptly take remedial steps in consultation with the GCF.

The AE shall also provide updates on the risks and mitigating measures under the other Risk Areas when changes to already identified risks or new risks have been identified.

Risk scoring:

For likelihood, please rate on a scale from 1 to 5: 1. Unlikely, 2. Possible, 3. Likely, 4. Almost certain, 5. Certain

For impact, please rate on a scale from 1 to 5: 1. Close to none, 2. Low, 3. Medium, 4. High, 5. Catastrophic

The severity of each risk is automatically computed based on the likelihood and impact of the risk.

Risk 1	Rising energy prices exacerbate pressures on forest resources		
Risk Origin	External Factors		
Risk Area	Macro-economics		
Risk Sub-area	N/A		
Description	Global energy price volatility and regional energy market instability may affect the affordability of alternative energy sources and increase pressure on forest resources used for fuelwood.		
Consequences	While the country has the tools and experience to cope with such risks, rising energy prices may increase pressure on forest resources for fuel, as they remain the cheapest energy source, with potential impacts on beneficiary engagement..		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	3 - Medium	9 - Medium High
Mitigation Measure(s)	The project strategy is built on three pillars to mitigate key risks. (i) Enhancing monitoring of resource use: Fuelwood extraction is often unrecorded, leading to underestimated consumption. The project will establish systems for efficient, continuous monitoring and assessment. (ii) Increasing fuelwood quality: Fuelwood is often sold fresh or poorly dried, reducing energy efficiency and increasing demand. Strengthening the regulatory framework will set standards for biomass sellers, enabling informed consumer choices and reduced consumption. (iii) Promoting sustainable energy use: The project will support improved regulations and strategies that encourage the use of agro-industrial residues alongside forest biomass, contributing to sustainability and local economic development.		

	Through the Project Management Unit, the team will collaborate with ministries to monitor energy prices and fuelwood extraction, using Task Force meetings to identify solutions for vulnerable groups and support public awareness on sustainable fuelwood use and energy-saving practices.		
Residual Risk	Likelihood 2 - Possible	Impact 3 - Medium	Severity 6 - Medium
Current Residual Risk	Likelihood 2 - Possible	Impact 3 - Medium	Severity 6 - Medium
Comments	N/A		
Risk 2	Novelty of Carbon Governance process		
Risk Origin	External Factors		
Risk Area	Regulatory		
Risk Sub-area	N/A		
Description	Serbia is among the early movers in the region exploring forest-based carbon market mechanisms. However, the development of strategies and policies may face delays, as such processes often benefit from exchanges with comparable experiences, which may be lacking in this context. Additionally, the evolving policy frameworks within the EU, particularly concerning the implementation of the Carbon Border Adjustment Mechanism of the European Union (CBAM), could impose restrictions on the use of offsets in certain sectors.		
Consequences	The development of strategies and policies may face delays. Restrictions on the use of offsets in certain sectors.		
Inherent Risk	Likelihood 2 - Possible	Impact 2 - Low	Severity 4 - Medium
Mitigation Measure(s)	FAO is cooperating with national and international finance institutions, private sector associations and CSOs on potential carbon market developments in Serbia. The project will work with stakeholders in understanding already existing models. Furthermore, the project will establish regional policy dialogues motivating other countries to apply similar approaches and exchange lessons with realities that have already advanced.		
Residual Risk	Likelihood 2 - Possible	Impact 2 - Low	Severity 4 - Medium
Current Residual Risk	Likelihood 2 - Possible	Impact 2 - Low	Severity 4 - Medium
Comments	N/A		
Risk 3	Institutional adoption of climate-adaptive forestry approaches		
Risk Origin	Project Related		
Risk Area	Design and Implementation		
Risk Sub-area	N/A		
Description	Administration, municipalities and private landowners as well as companies and agribusiness will require time and incentives to shift from the BAU scenario to a low emission sustainable development. In the past decades forests have been considered a mining resource and the shift to a new governance will require transparency and clear engagement of all stakeholders including the private sector and civil society as a whole.		
Consequences	Prolonged time and incentives to shift from BAU scenario to a low-emissions sustainable development.		
Inherent Risk	Likelihood 2 - Possible	Impact 2 - Low	Severity 4 - Medium
Mitigation Measure(s)	The project will invest in awareness and education, using an evidence-based approach and replicating proven good practices. It will operate within existing legal frameworks on forests, agricultural land, and renewable energy. State institutions will be engaged throughout the entire project cycle, including monitoring and evaluation, ensuring strong national ownership. The project will promote innovative forest and landscape restoration approaches and expand private sector involvement in achieving national forestry and biomass targets. Women's groups already active in the engagement process will further support these efforts.		

	It will also create enabling conditions for private sector participation in decarbonization through targeted adaptation and mitigation investments, particularly in rural areas.		
	In addition to working with national and local authorities, the project will foster strong collaboration with municipalities, communities, and civil society, ensuring inclusive implementation and broader impact.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	2 - Low	4 - Medium
Comments	N/A		
Risk 4	Delays in production of seedling material		
Risk Origin	Project Related		
Risk Area	Design and Implementation		
Risk Sub-area	N/A		
Description	A consistent and essential part of the activities is dependent on the production of high-quality seedlings. Nursery production may be affected not only by operational constraints but also by biological factors, including variability in seed availability, seed quality, and germination rates. In forest ecosystems, seed availability can fluctuate significantly between years due to natural biological cycles and climatic conditions, which may influence the availability of suitable reproductive material. Such variability may affect nursery production planning and the timely availability of planting material required for afforestation and restoration activities.		
Consequences	Delays in the availability of planting material could affect the timing of afforestation and restoration activities and may influence the implementation schedule of related project outputs. In cases where seed availability or seedling production is lower than expected, planting targets for a given season may need to be adjusted or rescheduled.		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	4 - High	12 - Medium High
Mitigation Measure(s)	To mitigate this risk, the project will apply several operational and technical measures. Although the project intends to primarily use container seedlings for most species, bare-root seedlings will complement nursery production where appropriate in order to compensate for possible losses or delays in container production. Nursery production will be supported through technical assistance to strengthen planning, seed handling and propagation techniques. In addition, the project will promote diversification of seed sources and the use of available national seed stands and seed orchards in order to reduce the risk associated with fluctuations in seed production. Where necessary, adaptive nursery planning and flexible planting schedules will allow adjustments between planting seasons to ensure that restoration and afforestation targets can be achieved. Technical support to nursery staff will continue throughout the implementation period to strengthen operational capacity and ensure consistent seedling quality.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	4 - High	8 - Medium High
Comments	N/A		
Risk 5	Lack of Private sector engagement in decarbonization process		
Risk Origin	Partner Related		
Risk Area	Partner capacity and suitability		
Risk Sub-area	N/A		
Description	Currently there is substantial interest by the private sector, including financial institutions and industry associations, to invest in decarbonization. However, due to limited technical knowledge, strategies and financial instruments available, the private sector may be disengaged or lose interest in investing in the process and prefer to invest in business as usual.		
Consequences	This would impact project activities and implementation as a key assumption to these activities is sustained engagement by private sector in the decarbonization process.		

Inherent Risk	Likelihood 1 - Unlikely	Impact 2 - Low	Severity 2 - Low
Mitigation Measure(s)	The project will strengthen stakeholder capacities on decarbonization while reducing financial and technical barriers to private investment. Awareness and training activities will highlight the economic benefits of low-carbon investments. Collaboration with the Chamber of Commerce and Industry of Serbia, its circular economy platform, financial institutions, and business associations will ensure continuous private sector engagement. Private actors will participate through associations and financing bodies, with some serving as observers to the Project Steering Committee. The project will support institutions and companies with technical assistance to assess climate risks, monitor emissions and carbon sequestration, and evaluate ESG compliance costs. It will also engage service providers to deliver GHG accounting and ESG support, using standardized templates aligned with international frameworks. Training will emphasize accurate reporting and compliance, with verification by experts. Through ongoing communication, monitoring, and partnerships among government, banks, and PKS, the project will sustain private sector engagement and promote accountability.		
Residual Risk	Likelihood 1 - Unlikely	Impact 2 - Low	Severity 2 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 2 - Low	Severity 2 - Low
Comments	N/A		
Risk 6	Test 1		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Money Laundering (ML) & Terrorist Financing (TF)		
Description	Test 1		
Consequences	Test 1		
Inherent Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Mitigation Measure(s)	Test 1		
Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 7	Test 2		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Sanctions		
Description	Test 2		
Consequences	Test 2		
Inherent Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Mitigation Measure(s)	Test 2		
Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 8	Test 3		
Risk Origin	Project Related		
Risk Area	Integrity		

Risk Sub-area	Fraud / Bribery & Corruption / Collusion and any other prohibited practice		
Description	Test 3		
Consequences	Test 3		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Mitigation Measure(s)	Test 3		
Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Current Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Comments	N/A		
Risk 9	Test 4		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Conflict of interest		
Description	Test 4		
Consequences	Test 4		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Mitigation Measure(s)	Test 4		
Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Current Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Comments	N/A		

D.2. Report risk incidents

If any risk (previously identified or not) has materialized, please capture it here as a risk incident.

(this section is confidential)

E. FINANCIAL INFORMATION

E.1. GCF financing

In addition to the financial report in the annex, update the table with relevant GCF financial data for each country and instrument, including amounts and allocation percentages.

Country	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
Serbia	Grants	USD	25,000,000	3,762,178	174,828	174,828	33%	67%
Total		USD	25,000,000	3,762,178	174,828	174,828	N/A	N/A

E.2. Co-financing

Please populate the table with relevant Co-financing data for each Co-financier and instrument, including amounts and allocation percentages.

Co-financier	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
Gov of Serbia MOAFWM	In-kind	USD	53,455,376	0	8,419,874	8,419,874	27%	73%
Serbia Shume	In-kind	USD	4,222,108	0	2,675,309	2,675,309	27%	73%
Voivodina Shume	In-kind	USD	659,147	0	17,198	17,198	27%	73%
FAO	Grants	USD	474,950	0	0	0	27%	73%
Total		USD	58,811,581	0	11,112,381	11,112,381	N/A	N/A

E.3. Additional Finance Mobilised Beyond Approved Co-financing

Report the realised (cumulative value) and/or expected volume (Final Target) of private/public finance leveraged as a result of GCF involvement in the investment, in addition to and beyond any co-financing originally committed at approval. This datapoint shall be reported separately from official co-financing figures and is intended to capture the catalytic effect of GCF investments and support institutional learning.

GCF Policy: <https://www.greenclimate.fund/sites/default/files/document/policy-cofinancing.pdf>

No additional finance mobilized information provided.

File Name: APR2025 E- FP260 - grant-financial-progress-detail_March2026 OCB input - addressed v2 NO ETL.xlsx

F. ENVIRONMENTAL & SOCIAL SAFEGUARDS, GENDER, and INDIGENOUS PEOPLES

This section provides an update against the ESS standards agreed as part of the Environmental and Social Action Plan (ESAP) and Environmental and Social Management Framework (ESMF), as well as Environmental and Social Management System (ESMS), Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), Indigenous Peoples Plan (IPP), Indigenous Peoples Plan Framework (IPPF), Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF) when applicable.

F.1. progress on key challenges and updates regarding Environmental and Social Safeguards

Key Environmental and Social Changes

Have there been any changes in the key environmental and social risks and impacts? If you tick 'Yes,' please provide further information.

Yes ☐ No ☒

Environmental and Social Safeguarding Updates

Have there been any change/update on environmental and social safeguarding? you tick 'Yes,' please provide further information.

Yes ☐ No ☒

F.2. Compliance with laws and regulations applicable to ESS. Gender and Indigenous Peoples.

Have there been any changes or updates regarding compliance with applicable laws and regulations of the country, as well as the relevant conditions or covenants under the FAA?

Yes ☐ No ☒

F.3. ESS standards implementation progress

Does this reporting period include any ESS standards-related activities or updates?

Yes ☐ No ☒

If you tick 'Yes', please provide further information to report on the progress made in complying with the requirements of the relevant ESS standards that were triggered during the approval of the funding proposal and during the reporting period, if any; and the GCF Indigenous Peoples Policy, if relevant, describing achievement and specifying details outlined in the tables below.

Activities implemented during the reporting period, including monitoring

<i>The project implementation on the ground has not yet started. Therefore, during this period there have not been safeguards related activities or updates to report. The project is currently recruiting an Environmental and Social Safeguards Specialist. The grievance redress mechanism has already been established. Preparations for field implementation are ongoing and expected to start soon. In this context, site-specific Environmental and Social Management Plans will be developed, together with other relevant safeguards instruments and tools, in line with the project's Environmental and Social Management Framework (ESMF) and applicable safeguards requirements.</i>	
Outputs during the reporting period	
<i>Not applicable, as field-level activities have not yet started.</i>	
Key environmental, social and gender issues, risks and impacts addressed during implementation	
Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention	
Remarks/Notes	
F.4. Sub-projects information	
Have any subprojects been implemented?	Yes ☐ No ☒
N/A	N/A

F.5. Implementation of the stakeholder engagement plan	
Were any actions undertaken to increase engagement of relevant stakeholders in the project, particularly regarding environmental, social, and gender elements?	Yes ☒ No ☐
Activities implemented during the reporting period	
The Inception Workshop brought 60 participants (42 male, 18 female) from the government (Ministry of Agriculture, Forestry, Water Management; Ministry of Environmental Protection; Provincial Secretariat for Urban Planning and Environmental Protection Institute for Nature Conservation of Serbia), two forestry public enterprises (Srbijasume and Vojvodinasume), Academia (Faculty of Forestry and Research Institutes in Belgrade and Novi Sad), CSO/NGO (Pokret	

Gorana Srbije, WWF Adria, NALED, Forest owner association "Tilva", Inspira Vivo), Chamber of Commerce of Serbia, Private Sector (Map Sofr), GCF, FAO, and diplomatic representatives (Embassy of Norway).
Dates and venues of engagement activities
24 June 2025, Belgrade, Serbia
Sex-disaggregated data on stakeholder engagement participants (male + female = total)
Inception Workshop: 42 men, 18 women
Information shared with stakeholders
A dedicated session was held on Environmental and Social Safeguards, Gender Action Plan and the Grievance Redress Mechanism, informing stakeholders of the ESS Triggered, mitigation measures, the importance of ensuring ESS compliance, and how to report grievances, etc.
Outputs including issues raised and addressed during the reporting period
N/A
Remarks/Notes
N/A

F.6. ESS forward planning and lessons learned	
Are there any planned ESS activities for the next reporting period or lessons learned to share from this period?	Yes ☒ No ☐
Provide planned activities on environmental and social safeguards for the next reporting period	
The project is currently preparing for the implementation of the environmental and social safeguards measures outlined in the Environmental and Social Management Framework (ESMF). In this context, the recruitment of an Environmental and Social Safeguards Specialist is underway. Among the initial tasks will be to reassess and confirm the environmental and social risks identified in the ESMF and to support the preparation of site-specific Environmental and Social Management Plans (ESMPs) for project activities. The project has already established a Grievance Redress Mechanism. In addition, an awareness-raising session on environmental and social safeguards and gender issues is planned to be conducted with the Ministry of Agriculture, Forestry and Water Management of Serbia and JP Vojvodinašume on 27 March 2026. As implementation begins, additional safeguards instruments and tools will be developed and applied in line with the requirements set out in the ESMF, including screening procedures, monitoring arrangements, and capacity-building activities for relevant stakeholders.	
Provide any success stories, good practices, or challenges, including those related to the engagement of Indigenous peoples and local communities, promoting Indigenous knowledge and benefits to Indigenous peoples and local communities	
Not applicable at this stage of the project implementation. There are no Indigenous Peoples in the project areas	
F.7. Grievance Redress Mechanism - confirmation & grievances	
Please indicate whether the project can confirm the following statement:	
Fully functional and operational Grievance Redress Mechanisms are in place, have been communicated to and are accessible by all stakeholders applicable to this project	
☒ The accredited entity confirms the statement above at project-level, AE-level, and GCF-level grievance mechanisms.	

☐ The accredited entity does not confirm the statement above

Have there been any grievances received during the reporting period?

Yes ☐ No ☒

The project did not receive grievances during the 2025 reporting period.

F.8. Implementation of activities and actions agreed in the Gender Action Plan

There have been no activities related to the implementation of the Gender Action Plan (GAP) during the reporting period. The project is currently preparing the recruitment of a Gender Specialist that should be on board before Q3 of 2026 in line with the GAP and ESMF. In addition, an awareness-raising session will be organized on 27 March 2026, which will also cover gender equality and women's empowerment in the context of the project and support the integration of gender considerations in forthcoming project activities.

Are there GAP implementation activities or progress to report for this period?

Yes ☐ No ☒

Summary on Activities and Actions agreed in the Gender Action Plan (max. 200 words)

Provide a progress report on the gender action plan developed during project preparation stage for the reporting period. This will primarily be a report on activities undertaken and results achieved because of completion of an activity. Further, it should also indicate if the project is on track to achieving the intended outcome(s). The reporting should be done for activities, targets and indicators already set in the action plan including on vulnerable groups (youth, poor, female heads of households, etc.) as would have been identified in the gender analysis and action plan. If activities or targets are not achieved as per plan, reasons should be provided, and recourse action should be proposed. Please include reporting on any changes or deviations. Include a Report on implementation challenges and lessons learnt and how these will inform on-going actions and what action will be taken by when to address the challenges faced. Incorporate both quantitative data and qualitative reports on the performance of such actions, and on progress on actions identified.

GAP Activity

Consultations with local parties (including women and women focused organizations, private forest land holders and CSOs) to upgrade GAP

Indicator

Number of participatory sessions with local CSO and community representatives; Number of participatory sessions with women focused organizations; Number of questionnaires filled and percentage of women included

Rating of Indicator

AMBER (needs attention to be met)

Baseline

0

Target, including sex-disaggregation where applicable

90

Annual progress update (Reporting Period)

Recruitment of a Gender Expert took place during the reporting period. While consultations took place during the reporting period, such as during the Inception Workshop, progress on updating the GAP did not take place, and will begin in Q1 2026.

Cumulative progress update (Entire period)	
N/A	
Budget	0
Currency	USD
Timeline (Planned completion of activity)	24 June 2025
Responsibility	
PMU	
Remarks/Notes	
Recruitment of a Gender Expert took place during the reporting period. While consultations took place during the reporting period, such as during the Inception Workshop, progress on updating the GAP did not take place, and will begin in Q1 2026. Please note that the figure "90" included in the target is 90%. The target as per current GAP is: At least 90% of interested parties on the local level, primarily forest land holders, are interested in afforestation and strengthening biomass for energy and other forest products processing value chains. The Gender Expert will also re-evaluate the targets in the GAP.	
F.9. Gender Action Plan implementation review	
Is the gender expert for the project/programme engaged to support the implementation of the gender action plan? If engaged previously, please advise if the gender expert has been retained by the project/programme, including plans to engage another expert if a previously engaged expert has left the project/programme.	Yes ☐ No ☒
<i>The Gender Expert was under recruitment in 2025 and will begin activities in 2026.</i>	
Has the implementation of gender action plan/s being implemented according to Funding Activity Agreements and GCF's Updated Gender Policy? Please ensure that the budget is included in the reporting above if it was indicated in the approved or updated gender action plan.	Yes ☒ No ☐
<i>The main activity due to take place during the inception phase does not have a budget assigned to it.</i>	
Are the planned activities, targets, indicators, timelines, etc. on track during the reporting period?	Yes ☒ No ☐
<i>Efforts were made to recruit a Gender expert to begin activities under the GAP during the reporting period. While progress is slightly delayed, particularly on the consultations with local parties (including women, and women focused organizations, private forest land holders and CSOs) to upgrade the GAP, the project team is confident that the activities will get back on track in Q2 of 2026.</i>	

Were there any revisions of the approved GAP during the reporting period? Please submit the updated GAP in Annex section of this APR and ensure that the updated GAP has details on each change.	Yes ☐ No ☒
<i>No revisions to the approved GAP were made during this reporting period.</i>	
Are the reported results on track to contribute to meeting the sex-disaggregated targets for the direct beneficiaries in the funding proposal, if applicable?	Yes ☐ No ☒
<i>No results were reporting during the reporting period.</i>	
Has the project/programme experienced any implementation challenges that affect gender-related activities? If yes, please include lessons learnt and how they are informing ongoing actions.	Yes ☒ No ☐
<i>The project team encountered difficulties in the prompt recruitment of a Gender Expert immediately following project effectiveness, causing delays to the implementation of the inception phase related activity. A Gender Expert will begin GAP activities as promptly as possible and consultations are already scheduled for Q1 2026.</i>	
Were there any best practices identified, or case studies prepared on benefits/activities undertaken as agents of action by women and the female heads of households during the reporting period? Please share any case studies in the text boxes or in the Annex section of the APR.	Yes ☐ No ☒
<i>No case studies have yet been identified.</i>	
Provide planned activities on gender elements for the next reporting period	
<i>During the next reporting period, the project will fully operationalize the GAP across all components, in line with its objective to ensure gender-responsive forest governance and inclusive climate action. Planned activities are aligned with GAP priorities and include: Stakeholder consultations with women, CSOs, and private sector actors to update and operationalize the GAP Capacity development and institutional strengthening to integrate gender into decarbonization processes Gender-responsive policy support and contribution to relevant sub-activities Review and update of education curricula to address gender gaps in forestry and green sectors Awareness raising and behavioural change activities Promotion of equitable access to innovation, technologies, and knowledge Key deliverables will include an updated GAP, consultation and training reports, policy inputs, curriculum review outputs, awareness materials, and gender-sensitive monitoring tools. To ensure effective implementation, the project will establish core processes, including: Technical oversight by a gender specialist Integration of gender considerations across planning, implementation, and budgeting Systematic use of sex-disaggregated data Continuous stakeholder engagement and alignment with GCF and FAO requirements</i>	

G. ANNEXES (UPLOADED)
Annex 1: GHG emission reduction calculation methodology (for projects reporting GHG emission reductions) and details on the calculations of the annual and cumulative value.
File Name: ANNUAL PERFORMANCE REPORT 2025 - FP260_Annex 1.docx
Annex 2: Communication and visibility material
File Name: Annex 2 - Media monitoring_FP260.xlsx
Annex 3: List of grievances received
No annexes provided.
Annex 4: Procurement information
No annexes provided.
Annex 5: Updated implementation timetable for the Funded Activity for the following year
File Name: Section G_Implementation_Timetable_FP260.xlsx
Annex 6: Updated Gender Assessment and/or Action Plan
No annexes provided.
Additional Annexes (if applicable)
No annexes provided.

