## PART I: PROJECT IDENTIFIERS

<table>
<thead>
<tr>
<th>Project Title:</th>
<th>Development of Montenegro’s Third National Communication to the UNFCCC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country(ies):</td>
<td>Montenegro</td>
</tr>
<tr>
<td>GEF Agency(ies):</td>
<td>UNDP (select)</td>
</tr>
<tr>
<td>Other Executing Partner(s):</td>
<td>The Ministry of Sustainable Development and Tourism</td>
</tr>
<tr>
<td>GEF Focal Area(s):</td>
<td>Climate Change</td>
</tr>
<tr>
<td>Type of Report:</td>
<td>National Communications (NC)</td>
</tr>
</tbody>
</table>

### A. PROJECT FRAMEWORK*

**Project Objective:** To assist Montenegro in the preparation of its National Communication (NC) for the implementation of the obligations under the UNFCCC

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Project Outcomes</th>
<th>Project Outputs</th>
<th>(in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Circumstances</td>
<td>1. Information on national circumstances and institutional arrangements relevant to the preparation of the Third National Communication reviewed and updated and a chapter on National Circumstances prepared.</td>
<td>1.1 National circumstances in Montenegro updated, and appropriate CC measures to implement the UNFCCC are redefined and explained; 1.2 Information related to national circumstances; geography, climate, natural resources and socio-economic conditions related to the GHG emissions and absorption collected, analyzed and updated; 1.3 Specific needs and concerns arising from climate change, national development objectives, priorities; circumstances and programmes analyzed; 1.4 Gender disaggregated data in relation to climate change collected and analyzed, i.e. women roles and responsibilities in the context of climate change in addition to gender inequalities in terms of vulnerabilities, and access to modern energy, finance, and decision-making; 1.5 Specific gender empowerment needs analyzed and proper actions to promote women’s participation in defining mitigation and adaptation strategies which contribute to improved gender equality, MDGs achievements, and sustainable development in Montenegro proposed.</td>
<td>GEF Project Financing: 15,000 Co-financing: 2</td>
</tr>
<tr>
<td>National Greenhouse Gas Inventory</td>
<td>2. National inventory of anthropogenic emissions by sources and removal by sinks of all GHGs for</td>
<td>2.1 Activity data, required by IPCC 2006 guidelines, collected and analyzed, data gaps filled and inventory and database improved where needed; 2.2 Emission factors for key source categories prepared and recalculated; 2.3 Through development of the annual data collection plan, the GHG inventory data collection</td>
<td>GEF Project Financing: 70,000 Co-financing: 20,000</td>
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</tbody>
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1. Project ID number will be assigned by GEFSEC and to be entered by Agency in subsequent document submission.
2. Co-financing for enabling activity is encouraged but not required.

GEF 6 Enabling Activity Template for Agency April2015
the preparation of TNC including a national inventory report and the establishment of a national archiving system for GHG Inventory prepared and capacity to collect this information on an ongoing basis for future NCs enhanced and analysis process maintained and national data collection capability enhanced and strengthened;
2.4 GHG inventories under the NC for all sectors (energy, IPPU, AFOLU, waste) and all gases considered in IPCC 2006 guideline for the years 2014-2017 prepared;
2.5 An analysis of key GHG emitting sectors (energy, IPPU, AFOLU, waste) carried out, procedures and arrangements for collection and archiving of data and role of institutions involved in preparation of GHG inventory described, and uncertainty analysis conducted;
2.6 Improved input data and GHG inventory especially for AFOLU (agriculture, forestry and other land-use) sector;
2.7 Constraints facing national inventories per sectors reviewed;
2.8 Quality assurance and Quality control plan developed and procedures for the QA/QC for the inventory data applied.
| Climate change mitigation | 3. Updated report on policies and measures to mitigate CC prepared and capacity to collect and analyze this information on an ongoing basis for future NCs strengthened. Analysis of mitigation options prepared. | 3.1 Capacity assessment for emission projections and their institutional set up conducted and short list of at least three options for institutional set up for projections presented to decision makers for their review and decision. The proposed three institutional solutions for projections should be ranked. 
3.2 GHG emissions and sinks projections for the period 2020-2030. Projections should account for energy and non energy sectors in line with division to ETS and non-ETS sectors in order to benefit national planning and alignment with EU acquis; 
3.3 Analysis and possibilities related to mitigation presented in the SNC/FBUR reviewed and upgraded, including progress on implementation of the National Climate Change Strategy; 
3.4 Necessary data and relevant information for scenario development collected, analyzed and used in the scenario development; 
3.5 Mitigation scenarios with existing measures (WEM) and with additional measures (WAM) until 2030 for abatement of GHG emissions considering socio-economic trends developed; 
3.6 A GHG emission abatement action plan until 2030 developed; 
3.7 Long-term mitigation possibilities analyzed and proposed; 
3.8 Potential for GHG emission reduction paths updated and mapped out and forward-looking set of policy framework and recommendations outlined; 
3.9 Improved assessment of GHG mitigation options, measures related to NC; 
3.10 Capacity for collecting and analyzing information on policy and mitigation measures strengthened; 
3.11 REDD possibilities considered and evaluated; 
3.12 Stakeholder consultation workshops, and awareness raising activities conducted, booklets and information materials disseminated, quarterly policy briefs in the form of 2 pager or infographics on various CC themes produced; 
3.13 Redesign of the national climate change clearing mechanism i.e. www.unfccc.me in order to reinstate it as the most important repository of climate change related knowledge on national level. | 100,000 | 20,000 |
<p>| Vulnerability Assessment &amp; Adaptation to climate change (V&amp;A) | 4. Climate change vulnerability assessment of key priority sectors extended, and those for new sectors conducted, and plans for programmes containing measures to facilitate adequate adaptation to climate change prepared | 4.1 Current climate change and the impact on socio-economic development of Montenegro described and analyzed; 4.2 Climate change scenarios revised using appropriate models, expert’s capacity on modeling climate change scenarios strengthened; 4.3 Vulnerability assessments for all sectors (water resources, coastal area, biodiversity, agriculture and forests, public health) conducted; 4.4 Progress in implementation of adaptation actions proposed in the SNC assessed. The adaptation plan for most vulnerable sectors (water resources, agriculture and public health), including cost-benefit analysis prepared; 4.5 Develop models of possible hazards with related costs, as well as impacts (e.g. rise of the sea level), in order to increase adaptation capacities, i.e. define proper adaptation measures. 4.6 Framework for effective integration of adaptation measures into national strategies identified; 4.7 A public campaign - to inform and raise awareness among the population about the impact of climate change on health with a special focus on vulnerable groups conducted; 4.8 Adaptation of health sector to climate change in order to protect population health, including Vulnerability Assessment Study, National Heat Health Action Plan and National Health Climate Change Adaptation Strategy prepared; 4.9 Adaptation to climate change in water resources management prepared; 4.10 Adaptation to climate change in agriculture with special emphasis on drought and irrigation plan prepared; 4.11 Stakeholder consultation workshops, and awareness raising activities conducted, booklets and information materials disseminated. | 130,000 | 20,000 |</p>
<table>
<thead>
<tr>
<th>Description of constraints and gaps, financial, technical and capacity needs</th>
<th>6. Identification, assessment and updates of constraints, gaps and needs related to financial aid and technology transfer provided, including summary of support needed and received.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other relevant information to the achievement of the UNFCCC (education, training and public awareness, financial aid and technology transfer, research and systematic observation, capacity building)</td>
<td>5. Other relevant information is described (e.g. research/systematic observation, technology transfer, education, public awareness, capacity building). Research and institution related to climate change and systematic observation assessed. Capacity building needs in local governments analyzed.</td>
</tr>
<tr>
<td>5.1 A list of projects with focus on barriers and opportunities for future development of GHG inventory and implementation of adaptation and mitigation actions provided; 5.2 National plans and programmes on systematic observation, climate research and forecasting capacity reviewed; 5.3 Information on NGOs, individuals, community and sectoral initiatives in terms of climate change adaptation and mitigations explored, updated, and publicized as a contribution to the project’s knowledge sharing framework; 5.4 Information on integration of UNFCCC requirements into national legislation and strategies updated; 5.5 Study on support to the process of building the capacity of local self-governments for the implementation of environment and climate change legislation - procedures &amp; implementation of capacity building programs prepared; 5.6 Legal assistance in transposition and approximation of the EU and international climate change legislation and obligations in order to strengthen its implementation on national level.</td>
<td></td>
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<tr>
<td>6. Identification, assessment and updates of constraints, gaps and needs related to financial aid and technology transfer provided, including summary of support needed and received.</td>
<td>6.1 Needs, gaps and priorities for education, training and public awareness identified and programmes prepared; 6.2 Information on financial, technical and capacity needs and constrains associated with the fulfillment of the national obligations under UNFCCC updated; 6.3 Progress on actions expected or implemented to address the restrictions, gaps and needs identified for the fulfillment of the national obligations under UNFCCC on the basis of the previous NCs assessed; 6.4 Financial resources, technology transfer and technical assistance received from the GEF, Annex I Parties and other developed country Parties, the GCF and multilateral institutions for GHG mitigation activities assessed.</td>
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</tbody>
</table>
### 7. Publication and submission of the third national communication, Monitoring and Evaluation

<table>
<thead>
<tr>
<th>Task</th>
<th>Cost ($)</th>
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</thead>
<tbody>
<tr>
<td>7.1 TNC edited, finalized and reviewed by stakeholders;</td>
<td>20,000</td>
</tr>
<tr>
<td>7.2 Executive Summary prepared;</td>
<td></td>
</tr>
<tr>
<td>7.3 TNC document produced, translated into English language;</td>
<td></td>
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<tr>
<td>7.4 TNC submitted to project steering committee for technical review;</td>
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<tr>
<td>7.5 TNC published;</td>
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<tr>
<td>7.6 TNC submitted and approved by the Parliament;</td>
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<tr>
<td>7.7 TNC submitted to Executive Secretary of the UNFCCC;</td>
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<tr>
<td>7.8 TNC distributed to stakeholders;</td>
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<tr>
<td>7.9 Monitoring and evaluation in accordance with the requirements inclusive of monitoring, reporting and preparation of final audits for the entire project;</td>
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<tr>
<td>7.10 Lessons learned analysed, shared, and thematic studies and results disseminated.</td>
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</table>

**Total Project Cost**

<table>
<thead>
<tr>
<th>Subtotal</th>
<th>454,546</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Management Cost (including Direct Project Services Cost: 10,000)</td>
<td>45,454</td>
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<tr>
<td><strong>Total Project Cost</strong></td>
<td><strong>500,000</strong></td>
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</tbody>
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### B. Source of Co-financing for the Project by Name and by Type

<table>
<thead>
<tr>
<th>Sources of Co-financing</th>
<th>Name of Co-financier</th>
<th>Type of Co-financing</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Government</td>
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<tr>
<td>Total Co-financing</td>
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<td></td>
<td>80,000</td>
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</tbody>
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### C. GEF Financing Resources Requested by Agency, Country and Programming of Funds

<table>
<thead>
<tr>
<th>GEF Agency</th>
<th>Trust Fund</th>
<th>Country/Regional/Global</th>
<th>Focal Area</th>
<th>Programming of Funds</th>
<th>GEF Project Financing (a)</th>
<th>Agency Fee (b)</th>
<th>Total (c)=a+b</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNDP</td>
<td>GEFTF</td>
<td>Montenegro</td>
<td>Climate Change</td>
<td>(select as applicable)</td>
<td>500,000</td>
<td>47,500</td>
<td>547,500</td>
</tr>
<tr>
<td>(select)</td>
<td>(select)</td>
<td>(select)</td>
<td>(select)</td>
<td>(select as applicable)</td>
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<tr>
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<td>(select as applicable)</td>
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<tr>
<td>(select)</td>
<td>(select)</td>
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<td>(select)</td>
<td>(select as applicable)</td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total GEF Resources</strong></td>
<td>500,000</td>
<td>47,500</td>
<td>547,500</td>
<td></td>
<td></td>
<td></td>
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</tbody>
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Note: 3 This is the cost associated with the unit executing the project on the ground and could be financed out of trust fund or co-financing sources. For EAs within the ceiling, PMC could be up to 10% of the Subtotal GEF Project Financing.
**PART II: ENABLING ACTIVITY JUSTIFICATION**

<table>
<thead>
<tr>
<th>A. ENABLING ACTIVITY BACKGROUND AND CONTEXT</th>
<th>Montenegro became a party to the UN Framework Convention on Climate Change by succession, after becoming independent in 2006 year, becoming a non-Annex I Party to the UNFCCC.</th>
</tr>
</thead>
</table>

The responsible authority and main body for coordinating and articulating national climate actions is the Ministry for Sustainable Development and Tourism (newly established Directorate for Climate Change). Taking into account the necessity of inter-sectoral cooperation on climate policy, the National Committee for Sustainable Development and Tourism has been transformed into the National Committee for Sustainable Development and Climate Change to ensure cooperation among all relevant stakeholders. This body has an advisory role and the mandate to actively participate in shaping of the national climate policy. Montenegro has recently developed National Climate Change Strategy by 2030 and submitted its INDC to the UNFCCC Secretariat.

On its path towards accession to the EU, Montenegro will have to integrate numerous requirements of the EU climate policy into domestic legal framework and align it with the climate acquis. The latest EU Report on Montenegro’s progress in the accession process states that, in the area of climate change, a comprehensive national climate policy and a climate change strategy need to be developed in line with the expected EU 2030 policy framework on climate and energy. Substantial efforts are also needed to fully integrate climate considerations into all relevant sectorial policies and strategies. Montenegro regularly associated itself with EU positions at international level.

The country has not put forward a mitigation commitment by 2020 under the Copenhagen Accord yet. The intended nationally determined contribution (INDC) to the 2015 Climate Agreement was submitted to the UNFCCC Secretariat in Sep 2015, consistent with those of the EU and its Member States.

Regarding alignment with the climate acquis, significant efforts are required, especially, to strengthen the country’s monitoring, reporting and verification capacity. The establishment of the National Council for Sustainable Development and Climate Change marks a positive development in inter-institutional coordination and cooperation. The Council needs to be strengthened further.

Montenegro participated regularly in the Environment and Climate Regional Accession Network (ECRAN) project. Administrative capacity in the area of climate change needs to be significantly strengthened in order to address the need for enhanced climate action in a sustainable manner, beyond the project by project basis. Strengthening administrative capacity in the fields of environment and climate change needs to be a country priority.

On the international level, although Montenegro does not have quantified obligations to reduce GHG emissions, it is an active player, trying to assume voluntarily advanced reporting obligations, preparing for national contributions for the post 2020 period, and supporting EU in advocating its ambitious targets and objectives. The country has not started the procedure for adoption of the Doha Amendment yet.

Unfortunately, Montenegro has not ensured the efficient and appropriate use of donor funds for climate actions so far. The country has not attracted enough support of over a dozen international contributors including national governments, non-profit organizations and international organizations.

Montenegro is implementing several international obligations to move towards a low-carbon economy, including the establishment of goals for increasing the share of renewable energy by final energy demand, improving energy efficiency, and reducing GHG emissions in electricity generation by reducing operational hours of the existing lignite-fired power plant. In the public buildings sector, the government is focused on improving energy efficiency and comfort conditions in targeted buildings (hospitals, health centers, elementary schools, high schools, special schools, kindergartens and dormitories). In the residential buildings sector, the government is focused on penetration of solar water heating systems and improving living and working conditions for households residing on summer pasture lands. In the transport sector, the government is mostly focused on improving infrastructure (highway, motorways).
As a main driver of Montenegro’s economic growth and investment, the tourism sector is responsible (directly and indirectly) for the large share of GHG emissions from the transport, accommodation and other tourism-related activities. In April 2013, UNDP launched the Towards Carbon Neutral Tourism project that will adopt a comprehensive approach to minimizing the carbon footprint of Montenegro’s main and most dynamic economic sector, the tourism. Its ultimate objective is to reduce GHG emissions from tourism sector.

The Government adopted 30% reduction as an internal target by 2030 (INDC), compared to 1990 level, and is now evaluating and implementing mitigation options to meet this goal.

Under its commitments as a non-Annex 1 party of the UNFCCC, Montenegro has prepared two National Communications (NCs), an Initial National Communication in 2011, the Second National Communication (SNC) in 2015. Montenegro follows non-Annex I guidance for the preparation of the NC and GHG inventories. Moreover, Montenegro anticipates its First Biennial Report (FBUR) to be submitted during the first half of 2016.

The following highlights outline a number of national documents which specifies climate change as a major risk:

Both, the Initial National Communication (INC 2010) and the Second National Communication (SNC 2015) identified the following vulnerable sectors: coastal zone, water resources, agriculture, forestry and public health. Along with the INC, several serious studies were developed:
The Economic Impacts of Climate Change in Montenegro: A First Look, Assessing Montenegrin water sector in light of climate change and Assessing vulnerability of Montenegrin forest sector to climate change. The Economic Impacts of Climate Change in Montenegro: A First Look identifies the data and state-of-the-art models and methods needed to estimate the economic impacts of climate change and the benefits and costs of adaptation in agriculture and forests, tourism, water resources and human health in Montenegro. Besides, 2 comprehensive reports were prepared, as follows: Detailed Water Sector Assessment and Water Cadaster Proposals, and Assessing Vulnerability of Forest Sector to Pests and Plant Diseases.

In the frame of Coastal Area Management Programme (CAMP) for Montenegro, various analysis related to the narrow coastal area vulnerabilities have been undertaken. One of them is related to hurricane vulnerabilities. The main CAMP output is The Draft National Strategy for Integrated Coastal Area Management (2015). From the point of the narrow coastal areas vulnerabilities, due to the rising sea levels impact, the strategy found out 0.62 m increase of the sea level (relative to the mean sea level in the basin of the Adriatic) as the most realistic and the most likely scenario. This increase, based on the Intergovernmental Panel Climate Change (IPCC) projections, is set in the digital terrain model of Montenegro coastal areas. Besides, in the present and the near future, the Strategy recommends applying the second scenario of rising sea levels, where raising sea level projection is of 0.96 m in the digital terrain model. This recommendation should be applied in all spatial plans, including short-term planning. Within currently prepared, Draft National Sustainable Development Strategy - NSDS (2016-2020), climate change issue is envisaged as a cross-sector topic for each of the country development directions.

The National Climate Change Strategy (NCCS) until 2030 and appropriate Strategic Environmental Impact Assessment were recently adopted. The NCCS provides methodology and detailed sectoral projections for key emission sectors, along with sensitivity and uncertainty analysis. The sectoral projections were done for two scenarios: with existing measures (WEM) and with additional measures (WAM). Besides, potential GHG saving measures with their belonging costs, adaptation measures to climate change with its belonging costs, compliance with EU climate change legislation, action plan and investment planning, and financing strategy implementation are also envisaged by this strategic document. National INDC technical paper is prepared and submitted to UNFCCC Secretariat and it is an integral part of the NCCS.
The Third NC will build on the gap/constraints findings and recommendations of previous National Communications and BUR work, as well as the outcomes of the ongoing complementary projects in the country and is planned to be submitted to the UNFCCC in the first half of 2020.

The main gap/constraints findings and recommendations related are the following:

1. The estimate of direct GHG emissions in all the sectors for the period 1990-2011 was made in accordance with IPCC 1996 methodology, using a Tier 1 approach. The total measurement uncertainty of GHG emissions from the entire inventory is calculated according to Tier 1 methodology, amounting 4% for the whole period. The main gaps and constraints are:
   - lack of data in certain categories of the inventory;
   - data uncertainty and inconsistency, especially in agriculture and forestry, as well as waste sector;
   - insufficient technical and human capacity for addressing the impact of climate change on different sectors, especially in Statistical Office MONSTAT;
   - insufficient financial resources.
   In order to improve uncertainty for GHG emissions, it is necessary to:
   * Revise the activity data;
   * Calculate national emission factors;
   * Change the calculation methodology to multiple Tier, i.e. do an estimate of measurement uncertainty by also using Tier 2 methodology, which is based on a simulation in Monte Carlo;
   * Continue applying and working in accordance with quality assurance and quality control practices (QA/QC).

2. V&A:
   The main gaps and constraints:
   - lack of an adequate strategic framework, lack of expert and scientific research, lack of data;
   - lack of technical and scientific research on the vulnerability of human health to climate change;
   - no national strategy to mitigate the effects of climate change on water resources and agriculture;
   - lack of confidence in global end regional climate models;
   - insufficient technical and human capacity and financial resources.
   In order to improve vulnerability assessment and the drafting of adaptation measures, it is necessary to:
   * Strengthen early warning system for extreme weather and hydrology events;
   * Strengthen support for scientific-research work and to improve inter-institutional cooperation;
   * Establish databases per sector and to secure their regular updating.
   * Encourage the drafting of studies, analyses, projections of the impact of climate change on priority sectors for implementation of adaptation measures.

3. Mitigation:
   The main gaps and constraints:
   - align regulations with EU legislation in the area of climate change (transposition of EU directives) and strengthen legislative implementation;
   - develop appropriate strategic framework (action plan) that will define roles, responsibilities and activities to mitigate the impact of climate change;
   - integrate mitigation measures into strategic documents;
   - define goals for the reduction of GHG emissions - overall and per sector;
   - analyse possibilities for and develop NAMA projects;
   - introduce and promote the best available techniques (BAT) for mitigation measures regarding climate change, especially in the energy and industry sector.
   In order to improve the analyses of GHG abatement measures and assess their impact, it is necessary to:
   * Develop plans of emission reductions per sector;
   * Build institutional capacities for the application of methods and models for assessing the impacts of measures, formulating and prioritizing programs and measures and evaluating the cost of measures aimed at reducing GHG emissions.
The key goals of the enabling activity project are the following:
1. Meeting the reporting requirements under Article 4 and 12 of the Convention; and
2. Capacity building and enhancement of the national technical and institutional capacities in:
   - data collection, processing, archiving interpretation, and dissemination for GHG inventory,
   - development of mitigation and adaptation actions,
   - integrating climate change issues into sectoral and national development priorities.

Project is prepared in line with the GEF 6 Focal Area Objective “CCM-3: Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies, Programme 5: Integrate findings of Convention obligations and enabling activities into national planning processes and mitigation targets.”

Besides complying with reporting requirements, the project will link complementary and interrelated project milestones, in a much more efficient way, coordinating the schedules of expected outcomes. The capacities within various relevant institutions are already built through the INC, SNC and FBUR processes. Their involvement in the TNC process will further strengthen the institutional technical abilities to support the efficient implementation of the UNFCCC and enhance the reporting process overcoming weaknesses, constraints and gaps. Through the TNC, further capacity building on national and local level in order to implement climate change/environment legislative is envisaged. Involvement of the relevant institutions and experts in preparing TNC report provides developing communication systems between relevant institutions that enhance information sharing. Important outcome of the project is developing capacity of the national negotiators team to contribute to climate change international negotiations and formal dialogues under the UNFCCC in order to analyze opportunities and obligations rising from new regional and international initiatives.

The project outcomes will be achieved through a wide range of outputs compatible with the UNFCCC goals. Knowledge and awareness extension on climate change related issues at the planning and policy levels is crucial, so the institutions will be able to establish climate change issues into relevant social, economic, scientific and environmental policies, programs and strategies, in particular, those for low carbon development and adaptation to the adverse effects of climate change. Besides, the decision-makers will be able to address such issues through national development priorities. That way, identified and prioritized mitigation and adaptation actions will be consistent with national sustainable development priorities and climate change mitigation and adaptation related projects may be eligible for mobilizing additional funding resources by GEF or other multilateral and bilateral organizations. The project has to ensure the implementation of actions contributing to climate change mitigation and adaptation, in accordance with mitigation a in the period after 2020.

The TNC implementation shall facilitate the following:
- Further upgrading and improving the national GHG inventory system, by filling out the gaps and minimizing the uncertainties from the previous inventories. This is particularly related to agriculture, waste and forestry input data. GHG emissions data collection process will be institutionalized, defining the process description, data flows, calculation, monitoring and verification, QA/QC and responsibilities, based on the IPCC adopted methodologies;
- Assessment of potential options to mitigate the increase in GHG emissions and to enhance removals by sinks will update existing and develop new mitigation measures taking into account long-term projections, up to 2030. Improving removals by sinks potential and considering estimation for REDD possibilities in the country is particularly important, since close to 70% of the country territory is covered with forests and forest land. These new mitigation measures will provide good platform for development of GHG projections upgraded scenarios and obtaining more precise calculation of GHG savings potential;
Facilitating an analysis of options to adapt to the impacts of climate change with special attention to adequate adaptation to climate change for public health, water management and agriculture is of utmost importance, because these sectors have not been properly assessed earlier;

Addressing the capacity building needs and involvement of stakeholders, both on national and local level, within the context of a shared vision on climate change adaptation and mitigation;

Continuation of awareness raising activities on climate change that interact with targeted audiences of various age groups including students, teachers, governmental officials, private sector, non-government organizations, civil society and general public;

Mainstreaming gender perspectives through collecting and analyzing gender disaggregated data in relation to climate change. The data will be used in defining specific gender needs and proposing actions to promote women’s participation in defining mitigation and adaptation strategies;

Updating an assessment of financial and technological requirements for climate change studies, research, monitoring, education, training and awareness raising institutional strengthening and climate change policy development will be elaborated, publicize findings and promote national communication.

The TNC project will report progress in each of its components: agreements, institutional arrangements, stakeholder engagement, submission schedule of expected output, capacity building, knowledge transfer, technological tools, etc.

This enabling activity project will enable Montenegro will to fulfil its commitments under UNFCCC and prepare and submit the TNC to the Conference of Parties of the UNFCCC. This proposed project will assist in building national capacities to fulfill Montenegro’s commitments under the Convention on a continuing basis while further increasing the awareness on climate change issues particularly among policy-makers leading to full integration of climate considerations into national and sectoral polices, strategies and programmes.

Key Stakeholders:
Effective stakeholder’s participation: line ministries and agencies, in addition to local communities, local authorities and NGOs, mass-media, research institutions and private sector in the planning, monitoring, evaluation of the project, is essential. The project proposal intends to strengthen stakeholder’s participation including local community engagement, and women empowerment to collectively participate in addressing climate change issues and challenges in Montenegro. The stakeholders of the project are expected to come from various backgrounds, with particular emphasis on related sectors.

These will include the Ministry of Sustainable Development and Tourism, Ministry of Economy, Ministry of Agriculture and Rural Development, Ministry of Education and Science, Ministry of Transport and Communications, Environmental Protection Agency, Institute of Hydrometeorology and Seismology, Public Health Institute, Statistical Office, University of Montenegro, Academia of Sciences, National Council for Sustainable Development and Climate Change, Parliament, NGOs, business-associations, including partnerships with women’s groups, youth groups and other NGOs and mass-media.

The Ministry of Sustainable Development and Tourism is the main institution for climate change related issues, and also responsible for land administration and waste sector. The Ministry of Economy is responsible for energy and industry sector, the Ministry of Agriculture and Rural Development is responsible for agriculture and forestry, while the Ministry of Transport and Communications is responsible for transport sector. The role of the Public Health Institute within the process will be public health sector, while the Institute of Hydrometeorology and Seismology is responsible for climatology data and predictions. The role of the Environmental Protection Agency is facilitating GHG Inventory, while Statistical Office is responsible for climate and gender data collection and processing. University of Montenegro along with the Academia is responsible for research in various areas related to climate change.
The National Council for Sustainable Development and Climate Change, headed by the President of the country involves relevant experts from various ministries, NGO sector, business associations and independent experts. The Council is advisory body to the Government of Montenegro for sustainable development and climate change policy, responsible for providing professional support in strengthening inter-sectoral coordination and broader cooperation between social groups in the context of the harmonization of sectoral policies with the objectives and priorities of Montenegrin sustainable development. The main NGOs active in climate change related issues are Green Home, MANS and The Greens of Montenegro. The media and NGOs responsibilities through the TNC will be public awareness campaigns, knowledge sharing and dissemination. The role of the Ministry of Education and Science is to integrate climate change topics in schools’ and universities curricula. At the end, business association will help with major involvement of private sector in climate change related issues.

Gender dimension:
In Montenegro, there is only 17.2% of women in the National Parliament and 14% in local parliaments; only 3 out of 17 ministers are women, there is only 1 woman among 21 mayors, while female participation in entrepreneurship is below 10%.

Montenegro has a good legislative framework that ensures gender equality and equal access to opportunities. It also developed the appropriate institutional framework in order to promote gender equality. It is based on national legislation and the international instruments on human rights, as well as other legal documents of UN, CoE, EU and other international organizations, concerned with equality between women and men. However, the public in the country, and even representatives of the executive, legislative and judicial branches at all levels, are not sufficiently familiar with these documents. Due to the inadequate implementation of laws and court practice, the criticism from the EU often arrives.

It is important to point out that the Parliamentary Board for Gender Equality and the Department for Gender Equality within the Ministry of Human and Minority Rights are established, and there is also an institute of Ombudsman. However, there is no ultimate political will to empower women and achieve gender equality, and the resources allocated are symbolic. There is still a lack of personal sensibility and existence of stereotypical gender regimes of skilled workers, judges, prosecutors and other responsible actors, which is caused by the continuous problem in the implementation of law.

The Government of Montenegro has been demonstrating its commitment to the principles and norms of gender equality and to the fundamental documents on the advancement of women and takes concrete measures to ensure gender equality in both legislation and practice in the country. Recognizing this challenge, the Government of Montenegro is making serious efforts in meeting the needs of vulnerable population, including women and prepared the Action Plan for Achieving Gender Equality (2013-2017). Besides the Action Plan, various studies related to the status of women in Montenegro have been produced and published in recent years, such as Socio-economic status of women in Montenegro and Women in politics. Although the Government of Montenegro has made positive moves towards eliminating gender inequality, in practice the status of women in the country still needs further enhancement to ensure their equality.

UNDP mission in this area is defined as a support to Montenegro to set up gender agenda aligned with international frameworks (EU & UN) and development priorities of the country. In addition, the UNDP’s Country Office Montenegro, in collaboration with the Government of Montenegro, has identified the following priority areas for intervention, clearly listed in Country Office Gender Strategy that is aligned with the UNDAF for Montenegro.

• Improving the institutional framework to ensure that women and girls have full access to their rights, mainly political ones;
• Increased consideration of gender concerns in the allocation of public financial resources;
• Improving social perceptions and attitudes towards gender roles.
The Gender programme IPA 2010 aims to improve the status of women in terms of their personal integrity, economic advancement and political representation. The specific objective of the programme is to strengthen capacities, improve mechanisms and advance policies. It aims to improve the conditions for the implementation of the National Action Plan for Gender Equality in three specific components: violence against women and domestic violence; political and economic empowerment of women.

The project intends to empower gender by identifying appropriate female local consultants, if available. In addition, workshops will be conducted in which gender balance will be ensured. Furthermore, gender will be mainstreamed into the TNC in a way that ensures that equitable participation of women in the decision-making process of climate change adaptation and mitigation. With regard to the technical team to be hired to implement the enabling activity, gender balance will be also considered.

Equality between women and men is a precondition for the fulfilment of human rights and human development in general, and of the overall EU objectives in regard to growth, employment and social cohesion, in particular. In Montenegro, complex economic, social and political environment shadows and pushes women's issues aside. Gender stereotypes persist and overall social atmosphere is not supportive to gender equality. Institutional gender mechanisms (Department for Gender Equality within the Ministry of Human and Minority Rights and Parliamentary Board for Gender Equality) are severely undermandated, under-staffed and under-budgeted. Due to persisting gender-based disadvantages, women are vulnerable and lack political and economic empowerment, including protection against family violence. Policy and legislative developments in the last few years (National Action Plan for Gender Equality and Law on Gender Equality) have created a solid ground to address these problems. It is now important to ensure that these laws and policies are implemented. This will require not only political will, human and financial capacities and continuous monitoring, but also an institutional and cultural transformation process. This should include elimination of gender bias in national development frameworks, as well as incorporation of gender awareness into broader policies, programs and institutional reforms.

The previous NCs had not dealt with gender mainstreaming issues, leaving room for improvement in the new NC. Mitigation actions have largely focused on reduction of industrial greenhouse gas emissions, but also include the practice of energy efficiency and the application of renewable energy in commercial and residential sectors. The role of women in such climate change mitigation strategies has received no attention in previous NCs, as actions have been perceived to be either technical or scientific in nature.

The TNC project will incorporate a gender perspective in the identification, description and preparation of mitigation and adaptation actions, when relevant. Also, the women in the TNC will be meaningfully involved, not only as beneficiaries but also in the decision-making process of climate change related activities. As climate change is partly the result of human behavior and affects all people, mitigation and adaptation strategies in the TNC will consider the gendered patterns. Moreover, understanding how the different social roles and economic status of men and women affect, and are affected differently by climate change will be considered for appropriate adaptation and mitigation actions. In this sense, and for this specific project, the update of the national circumstances chapter of the TNC will consider this gender dimension in order to better understand how the different roles of men and women in Montenegro and social and economic circumstances may affect Montenegro’s ability to deal with mitigating and adapting to climate change.

Additionally, the project coordination will ensure that gender considerations become part of the TNC. Training Manuals on Gender and Climate Change will be followed. During the project inception the mandatory UNDP gender marker will be applied. This requires that each project in UNDP’s ATLAS system be rated for gender relevance. This will for example include a brief analysis of how the project plans to achieve its environmental objective by addressing the differences in the roles and needs of women and men.

In this regards, the project will give special attention to gender as one of the key stakeholders and beneficiaries from climate change adaptation and mitigation.
C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATION (discuss the work intended to be undertaken and the output expected from each activity as outlined in Table A).

Institutional framework:
The objectives of the project will be achieved with in-kind support (amounting 80,000 USD) of the Government of Montenegro and UNDP CO, Centre for Sustainable Development (CSD), a Programme implemented jointly by the Government of Montenegro and UNDP through the use of office equipment, premises for conferences and meetings and the provision of office space. UNDP CSD will act as GEF Implementing Agency for the development of the National Communication project.
- UNDP Montenegro CSD will assist Montenegro for the entire project length to implement the activities set forth and will monitor and supervise the project in line with standard GEF and UNDP policies.
- On behalf of the Government of Montenegro, the Ministry of Sustainable Development and Tourism (MSDT - Directorate for Climate Change), in its capacity of a UNFCCC National Focal Point and GEF Focal point will act as the Executing Agency to coordinate and implement project activities.
- A Project Implementation team will consist of a Project Manager (PM) and Project Assistant along with the technical team responsible for the deliverables as specified in the project proposal.

The overall responsibility for the project implementation by MSDT implies the timely and verifiable attainment of project objectives and outcomes. MSDT will provide support to, and inputs for the implementation of all project activities. The MSDT will nominate a high level official who will serve as the National Project Director (NPD) for the project implementation. The NPD will chair the Project Steering Committee (PSC) and other relevant stakeholder, sectoral and working groups under the project, and be responsible for providing government oversight and guidance to the project implementation. The NPD, in addition to the PSC members will not be paid from the project funds, but will represent a Government in-kind contribution to the Project. The newly established Directorate for Climate Change within the Ministry of Sustainable Development and Tourism will be in charge of future climate activities in the country.

Activities for project implementation:

National Circumstances and Institutional arrangements:
All components that define the national circumstances provided in the SNC/FBR will be revised and updated, considering the new emerging issues in the country. For that purpose, the most recent databases and information systems and the recent socio-economic assessment will be used, as well as the data from new national documents and ongoing projects. Information on climate conditions, environment, population, natural and economic resources, socio-cultural, economic and social conditions will be updated, such as review of existing and ongoing international, regional, national projects, legislation and strategic documents will be undertaken. Policies and legal framework will be described in order to state the link between economic sectors development and the support of policies and legal framework.
For the first time, socio-economic parameters and their relation to climate change will be analyzed and special attention will be paid to collection of gender-disaggregated data in relation to climate change, as well as information that include gender-related issues and vulnerable groups under different conditions. Institutional arrangement can enhance effective coordination among all relevant stakeholders from the public and private sector, in meeting the reporting requirements under the Convention. It will assist in establishing procedures for continual collecting, processing, reporting and archiving required data and information.

National Green House Gas Inventory:
Under the previous NC’s inventories of emissions by sources and removals by sinks were prepared for the years 1990-2011 according to IPCC 1996 methodology. During the recent FBUR work, GHG inventories were recalculated for the years 1990-2013 according to IPCC 2006 methodology, covering GHG emissions from the following sectors: energy, industrial processes and product use (IPPU), agriculture, forestry and other land-use (AFOLU) and waste. The national GHG inventory will be developed by the Environmental Protection Agency (EPA), which is also responsible for annual National GHG Emission Report preparation and its submission to the UNFCCC. The TNC project seeks to close the gaps for further development of the national GHG inventory, comprising several activities:
• An initial meeting will be held between the TNC team and the EPA team in order to harmonize criteria, delivery timetables, synergies, and other aspects, aiming to optimize the use of human, technical and financial resources. Special attention will be given to the coordination in the product delivery schedule of projects, and the national greenhouse gas inventory calculation and reporting requirements for the TNC.

• The IPCC 2006 methodology will be applied, that best corresponds to the national circumstances, according to recently updated GHG inventory, prepared within FBUR process. For this purpose, the GHG inventory collection data plan will be prepared with procedures for data archiving and role of institutions in the process.

• GHG inventory verification will take place consequently with the quality assurance process (QA/QC) in accordance with newly prepared QA/QC plan. The process will involve several participants: ministries, statistics, research institutions and technical experts. The outcomes will be in the consolidated technical skills and improvement of capacity of the involvement of stakeholders.

• Calculation of GHG inventory for period (2014-2017) will be carried out by trained staff of the EPA, supported by national/international experts. The strong institutional arrangements will facilitate efficient management of GHG inventory processes.

• Achieving technological synergies: the technological data base platform must match with the selected software, for the inventory calculation, through an interface. This will enable an automatic and more efficient calculation procedure to obtain national greenhouse gas inventory for all the years (2014-2017) included in the TNC.

• Montenegro’s National Inventory System (NIS) management model defines the process description, data flows, calculation, monitoring and verification, and their representation. National GHG inventory for the TNC will be adopting the concept of integration in all its stages of processes. This process involves different stakeholders with arrangement for coordination and implementation of a set of human, technical and financial resources to assist and develop the regular and ongoing preparation of the national inventory.

• Procedure manuals, as part of the National Inventory System will be prepared, as well, in order to institutionalize the GHG inventory process.

The following methodological guidance will be used: Revised IPCC Guidelines (2006); IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories (2000); IPCC Good Practice Guidance on Land Use, Land-Use Change and Forestry (2003). The Handbook developed by UNDP on “Managing the National Greenhouse Gas Inventory” (2005) will be followed while conducting the national inventory in order to identify recommendations for the design of an inventory management system. Finally, the software and GHG reporting tables developed by the UNFCCC Secretariat (Decision 17/CP.8) for archiving data and data reporting of inventory results will be used. Appropriate approaches to ensure the quality of the estimates will be adopted. The taskforce will also be responsible for developing data archiving system to facilitate the inventory process, especially in their respective sectors.

National GHG inventory for the entire time series (1990-2017) will be updated to reduce previous gaps and uncertainties. This is particularly related to AFOLU and waste sectors, where the input data are not reliable and/or still missing. Agriculture and forestry input data will be recalculated, according to the new methodologies, developed by Statistical Office. Besides, waste statistical data will be updated, as well in accordance with new methodology, developed in studies and strategic framework. New input data will require revision and recalculation of the existing GHG inventory (1990-2013). For the first time, the country-specific emission factors will be calculated and QA/QC plan for the GHG inventory will be applied.

To sustain the inventory team within the EPA, training opportunities will be promoted, especially for AFOLU sector.
### Vulnerability and Adaptation:

Under first and second NCs, V&A analysis and based on the EBU-POM regional climate model, the variability of climate and climate changes observed up to 2010 with focus on analysis of extreme events (max. temperature, max. precipitation, droughts, heat waves and heavy rains) and country’s vulnerability to those events were prepared. The vulnerability analysis covered the following sectors: hydrology, with particular analysis of water regimes in two rivers, agriculture and forestry, coast and coastal zones, ground water, health and urban areas. Special attention was given to basic characteristics of small streams of the Montenegrin coast, assessing vulnerability of Montenegrin forest sector to climate change, analysis and projections of climate change impacts on the future distribution and growth of the main tree species in Montenegro and impact of climate change to human health. Some adaptation measures were prepared mostly within INC work and covered all the sectors (biodiversity, agriculture, forests, coastal area and human health). More detailed economic impacts of climate change in Montenegro, assessing Montenegrin water sector in light of climate change and assessing vulnerability of Montenegrin forest sector to climate change were also prepared within INC process.

Through vulnerability and adaptation assessments, the TNC will pay special attention to more direct links between the climate change scenarios and their socio-economic impacts. The project will be focused on closing some of the gaps between the obtained results and the ones reported during the INC/SNC and/or the achievements identified to date. It should be noted that the financing needs for adaptation studies are considerable, starting by running appropriate climate models, the development of vulnerability assessments, proposing the adaptation actions, developing models of possible hazards, and designing national adaptation policy.

Within the V&A study, many activities need to be elaborated, among which:

- Describe the progress made by Institute of Hydrometeorology and Seismology in monitoring climate, especially extreme weather events and risks. Specifically those related to the quantity and quality of climate information generated and reported;
- Compile information and update appropriate climate models, based on those used in INC/SNCs achievements. Future climate change will be investigated using more parameters based on data availability and testing/use of other IPCC models will complement the findings;
- Development of models of possible hazards with related costs will be undertaken, so the impacts (e.g. rise of the sea level) in order to increase adaptation capacities can be assessed, and appropriate adaptation measures will be defined;
- Interpretation of the results of climate models, making comparisons between results, establishing patterns and/or trends, strengthening the understanding of Montenegrin climate, formulating conclusions and consensus.
- Revision of vulnerability & adaptation studies: the first step will consist of a compilation process of information related to vulnerability & adaptation assessment, already realized within the INC/SNC. Then, compile the information, select the methodology, develop the studies related to vulnerability of public health, water management and agriculture and formulate conclusions on vulnerability, and prepare appropriate adaptation plans for water ecosystems and agriculture. Since the agriculture sector is exceptionally vulnerable to extreme weather, special attention will be devoted to expected changes in extreme weather events frequency, intensity and distribution and their impact on agro-climatic conditions. Therefore, a vulnerability assessment in this sector will be extended in order to more precisely determine the climate change influence on agricultural production and the links with water resources which are also highly vulnerable to climate change and will be the subject of analysis. These synergetic potentials between the two sectors which are highly vulnerable to climate change will contribute to better adaptation of agricultural production, especially to drought and help propose irrigation plan and suitable farming systems for actual and expected agro-ecological conditions. Finally, analysis related to food security will be addressed. For public health sector, The National Heat Health Action Plan and The National Health Climate Change Adaptation Strategy will be developed. Studies preparation should gather employees from the Institute of Hydrometeorology and Seismology, Institute of Public Health, Biotechnology Faculty and Institute of Forestry and other technical experts;
• Review of adaptation policies: the adaptation plan, including cost-benefit analysis for most vulnerable sectors will be prepared. Additionally, based on the vulnerability studies elaborated by the project, an adaptation policy proposal will be carried out consisting of specific actions to promote adaptation. Finally, the National Adaptation Plan will envisaged adaptation actions based on the review of the existing adaptation processes and progress made in newly developed studies;
• Circulation of studies, strategies and plan among the stakeholder and public in order to increase awareness.

Mitigation actions:
In the scope of previous reports to the UNFCCC Secretariat (INC, SNC and FBUR), the analysis of the reduction of greenhouse gasses emission is prepared in order to assess the potential to which climate change impact can be alleviated at a national level, in line with economic development goals. The analysis envisaged the recognition of appropriate measures, practical examples, projects and/or interventions in all sectors where GHG emissions can be reduced and/or sinks increased during the period 2014-2020. GHG projections were based on two scenarios development (Business as Usual and mitigation) in all key sectors (energy, industry, agriculture, LULUCF and waste). For the purpose of calculation GHG savings in energy sector LEAP software was used, while IPCC software for non-energy sectors (industry, agriculture, LULUCF and waste) was applied.

The mitigation analysis will build on the results obtained in previous national communications. Analysis and results existing in the SNC/FBR will be revised, GHG projections for the period 2020-2030 will be made and mitigation options will be summarized and analyzed. TNC will analyze the progress made in implementing mitigation measures in energy sector and appropriate subsectors, such as energy industries subsector, the largest contributor to the total GHG emissions in the country, energy consumption subsectors, as well as industrial processes and product use sector. Essential analysis of energy consumption will be further extended, including energy consumption in manufacturing industries subsector, transportation subsector and residential/commercial/public subsector, starting from the compilation and review of all the relevant initiatives, undertaken by different national actors, especially since SNC/FBR.

The institutional capacity will be assessed upfront. Prior to the detailed GHG abatement analysis, all energy modelling work prepared recently in the scope of the National Climate Change Strategy and various international projects (LOCSEE, SLED, etc.) will be elaborated. Besides the new data and strategic framework will be collected. Long-term analysis up to 2030, will be carried out based on at least 2 scenarios creation (with existing measures WEM and with additional measures WAM), using new IPCC 2006 methodology for key sectors, as in GHG inventory (energy, IPPU, AFOLU and waste) and appropriate software tools (Long-range Energy Alternatives Planning system and IPCC 2006). The analysis is going to include separately energy and non-energy sectors. Considering socio-economic trends, in-depth analysis of CO2 sinks potential and evaluation of REDD possibilities will be also part of the assessment. For the first time, the mitigation assessment will take into consideration the future participation of national installations within EU-ETS scheme. Besides, GHG abatement action plan will be conducted with major emphasis on energy and industrial processes sector. The plan will include cost-benefit analysis, timeframe, assessment of technology options for the different mitigation options in various sectors, institutional capacity-building needs to sustain mitigation work and the related legal and institutional frameworks. Special attention will be given to increasing institutional technical capacities for undertaking mitigation estimation, as well as awareness raising activities will be strengthened through redesigned national climate web-platform workshops, policy briefs and dissemination of leaflets.

The mitigation analysis will be carried out in the context of Montenegro’s development priorities in order to ensure that the mitigation options proposed are aligned with development needs. It will include relevant information on the barriers and opportunities for implementation of the proposed measures.
Other information:

This section is considered as one of the most important information relevant towards achieving the objective of the Doha Work Programme on Article 6 of the Convention. In response to the Decision 15/CP.18 - Doha work program on Article 6 of the Convention, the preparation of the Third National Communication will be associated with increasing activities related to education, training and public awareness raising functions on climate change issues provided to identified stakeholders categories within different groups and communities having different relation to awareness and knowledge dissemination at schools, universities, media and NGOs. The TNC will also have an important role in enhanced climate change information sharing during workshops as well as distribution of presentations and reports. The findings of the studies will be disseminated among universities, research institutions and others for further elaboration and creation of linkages with relevant thematic and specific areas.

A number of activities have been planned under this component, covering:
- list of projects in climate change area;
- analysis of national and regional institutional frameworks, projects, programmes and documents related to climate change;
- financial, technical and capacity constraints and needs;
- technology and technology transfer;
- climate research and systematic observation, education, training and public awareness;
- capacity building;
- collection, synthesis and analysis of relevant information;
- studies for implementation of climate change/environmental legislation by local governments;
- legal assistance in transposition and approximation of the EU and international climate change legislation and obligations.

The unavailability of financial, technical resources and absence of systematic approach are already considered as the main barriers to strengthen capacity and ensure sustainability of implementation of various programmes related to climate change. Description of key gaps and challenges faced by the relevant institutions will be evaluated and listed in addition to suggesting the measures to overcome these gaps. The update of financial, technical and capacity needs and constraints of institutions responsible for activities related to climate change will be conducted through the collection, synthesis and analysis of existing information. The results of this project will be used as well as the results of other relevant projects that have been implemented by different stakeholders. The stakeholders are expected to come from a range of backgrounds, with particular emphasis on line ministries, agencies, in addition to local communities, local authorities and NGOs, media, research institutions and private sector.

The TNC will list all climate-change related recent and on-going projects. Identification of cost-effective technologies to implement priority mitigation and adaptation options, in addition to socio-economic consequences of different mitigation and adaptation options in Montenegro will be assessed. On research and systematic observation, the TNC activities will include identification of organizations and institutions involved in climate related research and systematic observations, their activities and programmes, capacities, gaps, needs and priorities, links and participation in regional and international activities. Finally, a description of the support received will be elaborated, along with contribution provided by the GEF for the TNC preparation.

The chapter will pay special attention on providing detailed studies for implementation of climate change/environmental legislation by local governments. The first phase of aforementioned study for Support to the process of building the capacity of local self-governments for the implementation of environment and climate change legislation, related to recommended model central government – local self-government is already under preparation. Within the scope of the TNC, the second phase - procedures and the third phase - implementation of capacity building programs are to be developed. Besides, legal assistance in transposition and approximation of the EU and international climate change legislation and obligations in order to strengthen its implementation on national level is also envisaged.
The TNC project contributes indirectly to Montenegro’s commitments under the UNFCCC to enable Montenegro address climate change considerations (reductions of GHG emission, energy savings and reduction of vulnerability to climate change). By increasing Montenegro’s capacity to measure and forecast its GHG emissions and an evaluation of the most vulnerable sectors the requested funding will thus be applied in a cost-effective way. The preparation of work programmes on capacity building and awareness rising for climate change is an essential step for strengthening national capacity to implement measures for climate protection, sustainable use of resources and climate resilience. On the other hand, the design of the TNC draws on the experiences and results of the previous NCs; in particular, activities are focused on areas and sectors that have been identified as most relevant for the GHG balance in Montenegro.

A central element of the strategy to enhance the cost effectiveness of the TNC Project is the capitalization of work relations built during the project implementation, and on existing experience with climate change within national institutions, donor agencies, and other related UNDP projects. The total project enabling cost is estimated to be about US$ 500,000. When all components of the project are implemented, Montenegro’s capacity to meet its obligations under the UNFCCC will be strengthened on a continuous basis. In addition, the TNC Report will be produced, the vulnerability and adaptation measures will be updated, the GHG emission estimates over a longer period will be modeled, and appropriate mitigation measures will be proposed. The project will also ensure socio-economic benefits through integrating gender, and livelihoods, health considerations into biodiversity interventions. The project will liaise with UNDAF, UNDP CPAP and other UNDP projects on biodiversity conservation, gender equality, civil society, and climate risk and water resources management.

Additionally, stocktaking exercise and national multi-sectoral stakeholder’s consultations such as national counterparts, local authorities, NGOs, local communities, and other related partners will be further facilitated given the good impression and relations built up and strengthened through the SNC/FBR project which in turn creates broader national ownership of the enabling activities on the climate change project’s results. Although, the INC project has implemented some climate change vulnerability assessment for coastal area, biodiversity, water resources, agriculture, animal husbandry, forestry and public health, there are still a lot to be assessed under the TNC project. The project will also carry out vulnerability and adaptation (studies) on public health, water management and potential risks in future yields for subsistence agriculture in Montenegro, one of the most vulnerable sectors. Communication and consultations with UNICEF, UNIDO, WHO, and other agencies including UNDP related projects will be carried out to explore synergetic links with respect to climate-induced diseases under changing climate.
**E. DESCRIBE THE BUDGETED M&E PLAN:**

The project will be monitored through the following M&E activities.

**Project start:**
A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

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

**Quarterly:**
- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc... The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

**Bi-annual progress:**
- Status Survey Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out twice a year.

**Periodic Monitoring:**
A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

Day to day monitoring of implementation progress will be the responsibility of the Project Coordinator, Director or CTA (depending on the established project structure) based on the project's Annual Work plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

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

**End of Project:**
During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project’s results.

**Audit clause:**
Audit on project will follow UNDP Financial Regulations and Rules and applicable Audit policies.
PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

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

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<td>Marija Vukcevic</td>
<td>Director General</td>
<td>MINISTRY OF SUSTAINABLE</td>
<td>NOVEMBER, 23, 2015</td>
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B. CONVENTION PARTICIPATION

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<td>MINAMATA CONVENTION</td>
<td>24. SEPT 2014.</td>
<td>JELENA KOVACEVIC</td>
<td>N/A</td>
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C. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the standards of the GEF Project Review Criteria for Climate Change Enabling Activity approval in GEF 6.

<table>
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<tr>
<th>Agency Coordinator, Agency name</th>
<th>Signature</th>
<th>Date (Month, day, year)</th>
<th>Project Contact Person</th>
<th>Telephone</th>
<th>E-mail Address</th>
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<tr>
<td>Adriana Dinu, Executive Coordinator, UNDP-GEF</td>
<td>Dinu</td>
<td>January, 13, 2016</td>
<td>Yamil Bonduki, Sr. Programme Manager</td>
<td><a href="mailto:yamil.bonduki@undp.org">yamil.bonduki@undp.org</a></td>
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