## Institutional set up for evaluation and approval of projects/programmes to be financed by the GCF

## **Summary**

Republic of Serbia is a Party to the UNFCCC since 2001, and to the Paris Agreement since 2017.

Ratifying the Paris Agreement, Republic of Serbia committed itself to reduce the GHG emissions and underlined its needs regarding DRR as well as adaptation on climate change. Achievement of these commitments could be financially supported by the Green Climate Fund (GCF).

In order to apply for the GCF support, transparent and efficient institutional structure and procedures for evaluation and approval of projects/programmes need to be established.

Currently there is the GCF FP, that is a Minister for agriculture, forestry and water management (due responsibility for the most vulnerable sectors: agriculture, water and hydrology and forestry). Newly established Climate Change Unit within the Ministry has responsibility for the GCF. However, the whole institutional structure (so called: NDA) shall be in place.

In order to identify appropriate NDA set up, analysis of different options was conducted. It took into account the Governmental organization and responsibilities according to the legislation, capacities, experiences in the country and at the international level as well as costs.

Based on these it is recommended to establish NDA (NDA - National Designated Authority) by the Law on Climate Change (currently in the process of interministerial consultations and shall be adopted by June 2019) as the Sub-committee of the National Climate Change Committee (NCCC).

There is already article of the Law says the NCCC will evaluate and approve the CDM project under the UNFCCC. Thus it is necessary to amend draft Law including such responsibility for the GCF projects/programmes.

Members of the Sub-committee will be representatives of the ministry in charge for: agriculture, construction, economy, energy, environment, EU integration, financing, health, interiors, mining, transportation, technology, science. Other governmental institutions will be invited to participate when there will be a need.

Head of the Sub-Committee will be the GCF FP.

Technical evaluation of the projects will be done by the expert group (EG) of the Sub-committee.

EG of the Sub-committee will prepare draft decision for the high level decision makers, involved in the work of the Sub-Committee as the second/political step in approval procedure. Based on this decision the GCF FP issuing Letter of no-objection or not.

The role of the Secretariat, that supports work of the GCF Sub-Committee, in administrative term could have Secretariat of the NCCCC or the new specially established for this purpose. In the second case that could be selected unit within the GCF FP institution (e.g. project management unit, climate change unit, etc).

In general, evaluation procedure/coordination mechanism means submission of the project proposal to the Secretariat. It checks completeness of submitted documentation (that will be prescribed by the secondary legislation) and publishes proposal at the web address for the public consultation process (in defined period of time).

Documentation as well as comments received during the public consultations, Secretariat submits to the EG. EG checks compliance with the national legal and policy framework and sectoral priorities.

Each member of the EG prepare opinion on specific project proposal, which submits to decision maker in the same governmental institution. These high level decision makers inform Secretariat on position of the institution.

Based on opinion of all institutions involved in the EG, Secretariat prepare Letter of no-objection, that is signed by the GCF FP.

Letter of no-objection and relevant documents will be published at the NDA web address.

Sub-Committee informs about its wok NCCC during regular NCCC meetings.