

**DONOR AGREEMENT
BETWEEN
MINISTRY OF THE ENVIRONMENT OF THE CZECH REPUBLIC
AND
UNITED NATIONS ENVIRONMENT PROGRAMME**

WHEREAS the United Nations Environment Programme (hereinafter referred to as “UN Environment”), a subsidiary organ of the United Nations, an international organization, and the Czech Republic are actively involved in supporting the mission and the activities of the Green Climate Fund,

WHEREAS the Ministry of the Environment of the Czech Republic (hereinafter referred to as the “Donor”) has decided to make a contribution of 20 million CZK (twenty million Czech Crowns), (hereinafter referred to as the “Contribution”) to the UN Environment.

WHEREAS UN Environment, an accredited entity of the Green Climate Fund, is prepared to receive and administer the contribution for activities related to the project *“Programme for facilitating the engagement with and access to the Green Climate Fund for Serbia and/or other countries of the Western Balkans”* (hereinafter referred to as the “Project”)

NOW THEREFORE, UN Environment and the Donor hereby agree as follows:

Article I. The Contribution

1. The Donor shall, in accordance with the schedule of payments set out below, contribute to UN Environment the amount of 20 million Czech Crowns. The contribution shall be deposited within 15 days after the entry of the Donor Agreement into force.

The contribution shall be deposited in the following account:

**Beneficiary: UNEP
Bank: J.P Morgan AG
A/c Name: UNEP EURO Account
Address: Junghofstrasse 14 60311
PO Box 60284**

Frankfurt/Main (Germany)
IBAN: DE56501108006161603755
Currency: EURO
Bank Code number: 501 108 00
SWIFT number: CHASDEFX
Project reference: 32GCL

2. The value of the payment, if made in a currency other than United States dollars, shall be determined by applying the United Nations operational rate of exchange in effect on the date of payment. Should there be a change in the United Nations operational rate of exchange prior to the full utilization by the UN Environment of the payment, the value of the balance of funds still held at that time will be adjusted accordingly.
3. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities.
4. UN Environment shall receive and administer the payment in accordance with the regulations, rules and directives of UN Environment.
5. All financial accounts and statements shall be expressed in United States dollars.

Article II. Utilization of the Contribution

1. The implementation of the responsibilities of UN Environment shall be dependent on receipt by UN Environment of the contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above.
2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UN Environment shall inform the Donor on a timely basis.
3. If the payments referred to in Article I, paragraph 1, above are not received in accordance with the payment schedule, the activities to be implemented under this agreement may be reduced or suspended by UN Environment accordingly. UN Environment shall inform the Donor about the situation in a timely manner.
4. Any interest income attributable to the contribution shall be credited to UN Environment Account and all efforts shall be made for it to be utilized within the Project.

Article III. Activities to be implemented

1. The Activities to be implemented with the funds from the Donor and UN Environment's contribution as per the attached Project Document in Annex 1, and as further described in Annex 3.
2. For the implementation of the Project, a Steering Group will be established which will act in accordance with terms of reference in Annex 2.

Article IV. Administration and reporting

1. Management of the contribution and expenditures shall be governed by the regulations, rules and directives of UN Environment.
2. UN Environment shall provide to the Donor the following reports prepared in accordance with UN Environment accounting and reporting procedures. For Agreements of more than one year:
 - (a) Every year, the status of progress, including the substantive and certified financial reports, for the duration of the Agreement.
 - (b) Within six months after the date of completion or termination of the Agreement, a final report summarizing activities and impact of activities as well as a certified financial statement

Article V. Administrative and support services

1. In accordance with the decisions and directives of UN Environment's Governing Council, the contribution shall be charged up to maximum 10% for the programme support cost incurred by UN Environment in administering the contribution.

Article VI. Equipment

1. The matter of ownership of equipment, supplies and other properties financed from the contribution upon expiry or termination of this Agreement shall be determined by the Steering Committee by consensus.

Article VII. Auditing

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations and rules. Should an Audit Report of the

Board of Auditors of UN Environment contain observations relevant to the contributions, such information shall be made available to the Donor.

Article VIII. Advertisement of the Contribution

1. The Donor shall not use the UN Environment name or emblem, or any abbreviation thereof, in connection with its business or otherwise without the express prior written approval of UN Environment in each case. In no event will authorization be granted for commercial purposes, or for use in any manner that suggests an endorsement by UN Environment of the Ministry of the Environment of the Czech Republic, its products or services.

2. The Donor acknowledges that it is familiar with UN Environment's ideals and objectives and recognizes that its name and emblem may not be associated with any political or sectarian cause or otherwise used in a manner inconsistent with the status, reputation and neutrality of UN Environment.

3. UN Environment will report on the contribution to its Governing Bodies in accordance with its regular procedures regarding contributions. Other forms of recognition and acknowledgement of the contribution, including the use of the name or emblem of the Donor, are subject to prior consultations with the Donor. The manner of such recognition and acknowledgement shall always be consistent with the United Nations Rules and Regulations to that effect.

Article IX. Completion of the Agreement

1. UN Environment shall notify the Donor when all activities supported by the donor under this agreement have been completed.

2. Notwithstanding the completion of the activities, UN Environment shall continue to hold unutilized payments until all commitments and liabilities incurred have been satisfied.

3. If the unutilized payments prove insufficient to meet such commitments and liabilities, UN Environment shall, as timely appropriate, notify the Donor and consult and agree in writing with the Donor on the manner in which such commitments and liabilities may be satisfied.

4. Any payments that remain unexpended after such commitments and liabilities have been satisfied shall be utilized by UN Environment subject to prior written agreement with the Donor.

Article X. Termination of the Agreement

1. This Agreement may be terminated by UN Environment or by the Donor. The Agreement

shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate the Agreement.

2. Notwithstanding termination of all or part of this Agreement, UN Environment shall continue to hold unutilized payments until all commitments and liabilities incurred under this agreement up to the date of termination have been satisfied.

Article XI. Amendment of the Agreement

1. The present Agreement, including its Annexes, may be amended only by written agreement between the Donor and UN Environment.

Article XII. Settlement of Disputes

1. The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Agreement or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with UNCITRAL Conciliation Rules then obtaining, or according to such procedures as may be agreed between the parties.

2. Any dispute, controversy or claim between the Parties arising out of or relating to this Agreement or the breach, termination or invalidity thereof, unless settled amicably under the preceding paragraph within (60) sixty days after receipt by one Party of the other Party's request for the amicable settlement, shall be referred by either party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The arbitral tribunal shall have no authority to award punitive damages. The parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

Article XIII. Privileges and Immunities

1. Nothing in this Agreement shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UN Environment.

Article XIV. Entry Into Force

1. This Agreement shall enter into force upon signature by the Parties, being effective from the date of the latest signature, and the agreement shall remain effective for 24 months, unless

DA/2017/Vie02

This agreement is linked to the Subprogramme on Climate Change
Project ID: 32GCL

20,000,000 Czech Crowns

terminated earlier pursuant to Article X above.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in four copies.

For the Ministry of the Environment of the
Czech Republic

For UN Environment

Ms. Berenika Peřtová
Deputy Minister

Mr. Jan Dusik
Director
Office for Europe

Date:

Date:

24. 10. 2017

24. 10. 2017

ANNEX I. Project Document

Activities to be implemented under the Donor Agreement between the Czech Ministry of Environment and The United Nations Environment Programme

1. Brief summary

Project title: *“Programme for facilitating the engagement with and access to the Green Climate Fund for Serbia and/or other countries of the the Western Balkans”*

Priority countries: Serbia, Albania, Montenegro

Name of implementing organization: UN Environment, through its Office for Europe

Project manager: Mr. Harald Egerer

Contact: + 436991459 4545 (phone), harald.egerer@unvienna.org (e-mail)

Financing Support: Ministry of the Environment of the Czech Republic

Grant requested: CZK 20,000,000

Expected duration of the project: 1st September 2017 – 31th August 2019 (in accordance with the signature of the Donor Agreement)

2. Background

The Green Climate Fund (GCF), established in 2010, is the Financial Mechanism of both the United Nations Framework Convention on Climate Change (UNFCCC) and of the Paris Agreement. It was established to address climate change mitigation and adaptation needs of developing countries, and it is expected to become the main funding source for both climate change mitigation and adaptation in the coming years. The countries of the Western Balkans are eligible for GCF funding, nevertheless they are not a priority target of its support (the Fund is explicit in paying particular attention to Least Developed Countries, Small Island Developing states and African States, aiming to allocate to these countries at least 50% of adaptation and Readiness funding). Moreover, with four candidate countries and one potential candidate country, the region is close to EU integration, which will effectively end the eligibility for GCF funding.

Consequently, the countries of the Western Balkans have a strong need to prepare for an effective engagement with the GCF and develop effective and participatory Country Programmes, allowing them to reach the targets set by their relevant strategies and Indicative Nationally Determined Contributions. While some countries of the region have already submitted a Proposal under the Readiness and Preparatory Programme (Albania, Montenegro, Serbia), there is a strong need for additional resources to build on and to expand the reach of the Readiness Programme in the region, both in the shape of additional capacity building activities – also in a regional context – and in the form of technical support for the development of concepts and proposals to be submitted for funding to the GCF under the different funding modalities (NAP Readiness Programme, Project Preparation Facility, GCF projects as such...).

3. Context

The Western Balkans are a hotspot for climate change. In the past few decades the countries of the region have faced significant meteorological and hydrological changes. According to climate change scenarios, the Western Balkans can expect further increase of air temperature, at a rate higher than the global average. The region is expected to become warmer and drier, with a decrease in total annual precipitation, accompanied by

an increase in drought conditions and decrease of water availability. Overall, climatic extremes are projected to become more common, including a significant increase in the number of extreme heat events. Heavier precipitation events are expected in the winter months, with a consequent increase in the number of extreme weather events, including floods.

Climate change is expected to have considerable consequences for the livelihood of the citizens of the Western Balkans. Both the intensity and the frequency of floods and droughts are expected to increase, with negative consequences for human health and well-being. The increase in temperature is expected to cause more frequent forest fires, a problem that already threatens both the environment and human settlements in its proximity. Severe drought episodes are expected to cause major reduction in agricultural yield, magnitude of consequences already evidenced during the 2012 drought which incurred even 50% reduction of certain crops and losses of around 2 billion dollars in Serbia alone. The increase in frequency of extreme weather events is expected to increase the frequency of floods. A dramatic example of the consequences of these phenomena in the region was given by the floods of 2014, costing at least 86 lives and 3,5 billion dollars in damages and causing around 2,000 landslides across the region.

The severe consequences of climate change that threaten the environment of the countries of the Western Balkans and the livelihoods of their citizens have resulted in a stronger political will to tackle climate change and climate change related issues. Despite the political will to tackle climate change the countries of the region lack the necessary capacities and resources to fully implement their ambitious mitigation and adaptation goals. The activities envisaged in this proposal are intended to strengthen the capacities of the countries of the region, allowing them to tackle climate challenges through a fruitful and effective engagement with the GCF. In particular, the proposed activities are intended to build upon and expand the activities financed by the Readiness and Preparatory Support Programme of the GCF in the region. Particular attention will be paid throughout the whole process not to replicate previous efforts, identifying unaddressed needs through a broadly consultative process. Specifically, for what concerns the first component, capacity building activities will focus on complementing the activities financed under the Readiness Programme, and on regional activities not covered by GCF funds. For what concerns the second component, the support for concept and proposal development will be given only to project that are in line with national priorities as specified in national plans and strategies, and once adopted, projects and programmes prioritized in the Country programme, itself the result of a widely consulted process. Additional funding by the Czech co-financing will enable the countries of the Western Balkans to identify priorities on the regional level as well, thus strengthening the possibility for submitting funding requests for projects that reflect broader regional priorities, increasing the potential for truly transformative and paradigm shifting.

4. Objectives

The overall objective of this project is to facilitate the engagement with, and the access to, the Green Climate Fund for the countries of the Western Balkans. This will be done by furthering the activities planned under the Readiness and Preparatory Programme project for what concerns capacity building - also in a regional context - and by providing technical support for the development of concepts and proposals to be submitted to the GCF (NAP Readiness, Project Preparation Facility, GCF project proposals...) for projects prioritized on a national or regional level, and once approved, in the Country Programmes developed under the Readiness and Preparatory support Programme. Due to their common goal and parallel implementation, this programme can be considered as a co-financing of UN Environment's engagement under the Readiness Preparatory and Support Programme in the region. While the reach of this project is regional, certain activities, in particular under **Component 1**, will focus on one or more pilot countries.

5. Activities

UN Environment will support both the engagement with and access to the GCF. In order to achieve this, under **Component 1**, UN Environment will assist relevant stakeholders in strengthening technical capacities necessary for an effective engagement with the Green Climate Fund. Specifically, UN Environment will:

- 1.1 Through the engagement of qualified experts, develop and deliver training modules on climate finance and on climate finance access; in the development and delivery of these training modules particular attention will be paid to avoid duplication of effort and to provide a capacity building complimentary to that provided with similar activities financed under the Readiness and Preparatory Programme – either expanding the thematic or geographic scope of said activities;
- 1.2 Through the engagement of qualified experts, develop and deliver training modules on proposal preparation under the Green Climate Fund;
- 1.3 Develop a tool-kit on climate finance access, including Green Climate Fund; once developed, this toolkit will be distributed to relevant stakeholders, thus raising awareness on international climate finance streams and available opportunities for both public and private sector stakeholders;
- 1.4 Organize a regional multi-stakeholder meeting on Green Climate Fund regional engagement and prioritization; this workshop would focus on the countries of the Western Balkans but also take into account the importance of the Danube Basin for the region (both riparian and non riparian countries); the regional meeting has the aim of identifying common priorities among the countries of the Western Balkans and the eligible countries of the Danube Basin, thus maximizing the potential of identifying paradigms shifting and transformative project ideas in these under-prioritized regions; the regional meeting could also be an opportunity for non-eligible countries of the Danube Basin to share their experiences with climate finance access, and best practices in the domain of climate change adaptation and mitigation;
- 1.5 Engage experts with proven experience in international climate finance flows to be placed to work in close collaboration with the NFP coordination team (or NDA) to strengthen their capacities to fruitfully engage with the Fund (including preparation of Country Programme);
- 1.6 Engage experts with proven experience to work on the preparation of proposals to be submitted under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility; indicatively, it is expected that **Activity 1.6** will directly enable the beneficiary countries to submit at least 2 proposals under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility;

Under **Component 1**, some activities, and in particular activity 1.5 and 1.6 will be limited to one or more pilot countries. Despite this, the scalability and lessons learned will render it beneficial for the region in its entirety.

Under **Component 2**, UN Environment will support access to the GCF. Specifically, UN Environment will:

- 2.1 Assist the countries of the Western Balkans in identifying projects and programmes that advance regional, national and GCF strategic priorities and that will receive technical support for concept or proposal preparation; in identifying the project ideas that are to receive technical assistance, great attention will be paid to national priorities as specified in national plans and strategies, and once adopted, prioritization contained in the country programmes of the

countries of the region; projects with a regional scope will be considered; GCF Strategic Impact Areas and Investment Criteria will also be taken into account;

- 2.2 Through the engagement of qualified experts, provide technical support for the preparation of project concepts and project proposals to be submitted to the GCF; this will include the preparation of supporting materials such as pre-feasibility and feasibility studies, environmental, social and gender studies and risk assessments; indicatively, it is expected that **Activity 2.2** will directly enable the beneficiary countries to submit at least 3 full proposals to be submitted to the GCF;

6. Comparative advantage

UN Environment is a GCF Accredited partner and has been already selected as a Delivery Partner for Readiness by three countries of the region (Albania, Montenegro, Serbia), thus being the natural choice for a project that builds on activities financed under Readiness Programme. Moreover, UN Environment has been requested as Delivery Partner for the NAP Readiness (additional funding for the development of National Adaptation Plans and other adaptation planning processes) for Montenegro (in collaboration with UNDP), and is currently discussing possible engagement with other countries in the region and beyond.

UN Environment brings more than 20 years of experience working on climate change. Beyond its support to climate science and negotiations, UN Environment have helped countries build resilience to climate change and reduce their greenhouse gas emissions, mainly by promoting renewable energy and improved energy efficiency and accessing clean energy finance.

On a global level, UN Environment has facilitated the completion of 15 NAPAs and assisted 38 countries in developing their National Communications to the UNFCCC. Additionally, approximately 80 adaptation projects are completed or being currently implemented by UN Environment at global, national and local level. UN Environment has considerable experience in assisting countries to accessing climate finance, in particular in partnership with the Global Environment Fund (GEF) as well as through the capacity building and technical support given to the countries to gain direct access to the Adaptation Fund. In partnership with UNDP and WRI, UN Environment is currently implementing a programme to strengthen countries' readiness to access the GCF financed by the German Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB). Following its accreditation to the GCF in June 2015, UN Environment has started supporting countries in submitting full funding proposals with the first being approved in June 2016¹. UN Environment's partnership with the GCF will contribute towards two fundamental environmental objectives: to assist developing countries to adapt to the changing climate and develop along a low emission pathway, and to build the capacity of developing countries to design, implement and finance transformative sustainable development strategies and programmes for themselves.

UN Environment's engagement with governments within the GCF framework will reflect three overarching principles. First, it will bring a comprehensive approach to climate change mitigation and adaptation that is grounded in both natural and economic science, tied to the environmental and development concerns of countries. A significant comparative advantage of UN Environment lies in its institutional investment in linking environmental action positively to economic strengthening. Second, all interventions, not just its readiness delivery, will have a strong capacity development component. Third, UN Environment will demonstrate how the private sector can take advantage of a sound enabling environment that expands investment opportunities and brings climate benefits.

¹ [Large-scale Ecosystem-based Adaptation in the Gambia River Basin: developing a climate resilient, natural resource based economy. Budget 22 MUSD](#)

UN Environment is therefore one of the best placed partners for GCF Readiness in the Region, with a strong project presence on the country level, direct access to the GCF focal points of the Western Balkans and a solid global track record.

7. Tentative project timeline (The total project duration will be 24 months. The implementation will strive to follow the timeline illustrated below.)

Implementation	Year 1		Year 2	
	6m	12m	18m	24m
Component 1: Strengthening the capacities to engage with the GCF				
1.1 Develop and deliver training modules on climate finance access, including Green Climate Fund				
1.2 Develop and deliver training modules on proposal preparation under the Green Climate Fund				
1.3. Develop a tool-kit on climate finance access, including Green Climate Fund				
1.4. Organize a regional multi-stakeholder meeting on GCF regional engagement and prioritization				
1.5 Engage experts to be placed in the NFP coordination team (or NDA) of one or more pilot countries to strengthen capacities to fruitfully engage with the Fund (including preparation of a Country Programme)				
1.6 Engage experts with proven experience to work on the preparation of proposals to be submitted under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility;				
Component 2: Supporting access to the GCF				
2.1. Assist the countries of the Western Balkans in identifying projects and programmes that advance national and GCF strategic priorities (in line with Country Programme prioritization)				
2.2. Provide technical support for the preparation of project concepts and project proposals to be submitted to the GCF (including supporting documents)				

8. Tentative budget - Utilization of the Donor's Contribution (costs and expenditures are expressed in Czech Crowns)

COMPONENTS	ACTIVITIES	TOTAL COST ² (per activity)	EXPENDITURE AND IMPLEMENTATION SCHEDULE	
			1 st YEAR	2 nd YEAR
Component 1. Strengthening the capacities to engage with the GCF	1.1 Develop and deliver training modules on climate finance access, including Green Climate Fund	625,000	625,000	0
	1.2 Develop and deliver training modules on proposal preparation under the Green Climate Fund	625,000	625,000	0
	1.3. Develop a tool-kit on climate finance access, including Green Climate Fund	900,000	700,000	200,000
	1.4. Organize a regional multi-stakeholder meeting on Green Climate Fund regional engagement and prioritization	750,000	750,000	0
	1.5 Place expert in the NFP coordination team of a pilot country to strengthen their capacities to fruitfully engage with the Fund (including preparation of Country Programme)	1,300,000	650,000	650,000
	1.6 Engage experts with proven experience to work on the preparation of proposals to be submitted under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility;	1,300,000	650,000	650,000
Subtotal component 1.		5,500,000	4,000,000	1,500,000
Component 2. Supporting access to the GCF	2.1. Assist the countries of the Western Balkans in identifying projects and programmes that advance national, regional and GCF strategic priorities (in line with Country Programme prioritization)	375,000	250,000	125,000

² inclusive of contingency costs and costs associated to project management

	2.2. Provide technical support for the preparation of project concepts and project proposals to be submitted to the GCF (including supporting documents)	12,125,000	4,750,000	7,375,000
Sub-total component 2		12,500,000	5,000,000	7,500,000
Sub-total project activities		18,000,000	9,000,000	9,000,000
ADMINISTRATIVE MANAGEMENT COSTS (10%)		2,000,000	1,000,000	1,000,000
TOTAL (in CZK)		20,000,000	10,000,000	10,000,000

9. Tentative co-financing budget - UNEP and the Donor's shared financing within activities supported by the Donor's contribution (costs and expenditures are expressed in US Dollars)

OUTCOMES	ACTIVITIES	TOTAL COST ³	EXPENDITURE AND IMPLEMENTATION SCHEDULE			
			6m	12m	18m	24m
1. Country capacity strengthened	1.1 ⁴ Identify the appropriate institutional structure for the NFP that will support ongoing collaboration between the Government and the GCF and facilitate multi-stakeholder engagement (in target countries)	20,000 Serbia 20,000 Montenegro 20,000 Albania	20,000 S 20,000 M 20,000 A			
	co-fin 1.1 ⁵ Develop and deliver training modules on climate finance access, including Green Climate Fund	25,000	12,500	12,500		
	1.2 Create a NFP dissemination mechanism with relevant information regarding GCF and the countries' involvement, responsibilities and possibilities (in target countries)	9,600 Serbia 9,600 Montenegro 9,600 Albania	4,800 S 4,800 M 4,800 A	4,800 S 4,800 M 4,800 A		
	co-fin 1.3 Develop a tool-kit on climate finance access, including	36,000	14,000	14,000	8,000	

³ For ease of consultation, the conversion from Czech Crowns to United States Dollars in the table is based on the approximate equivalency of 20,000,000 CZK to 800,000 USD.

⁴ All fields shaded in blue (1.1, 1.2, 1.3, 1.4, 2.1, 3.1) correspond to activities financed under the Readiness Preparatory and Support Programme of the Green Climate Fund, and follow the numbering of the corresponding Readiness projects.

⁵ All fields shaded in green (co-fin 1.1, co-fin 1.2, co-fin 1.3, co-fin 1.4, co-fin 1.5, co-fin 1.6, co-fin 2.1, co-fin 2.2) correspond to activities of the "Programme for facilitating the engagement with and access to the Green Climate Fund for Serbia and/or other countries of the the Western Balkans", co-financed by the Ministry of the Environment of the Czech Republic and follow the numbering followed in the rest of this Annex, preceded by the indication co-fin.

	Green Climate Fund					
	1.3. Identify, support and strengthen knowledge and capacity of the NFP coordination team and other relevant stakeholders for engagement with the GCF (in target countries)	50,000 Serbia 50,000 Montenegro 50,000 Albania	20,000 S 25,000 M 25,000 A	30,000 S 25,000 M 25,000 A		
	Co-fin 1.2 Develop and deliver training modules on proposal preparation under the Green Climate Fund	25,000	5,000	20,000		
	co-fin 1.5 Place expert in the NFP coordination team of a pilot country to strengthen their capacities to fruitfully engage with the Fund (including preparation of Country Programme)	52,000	13,000	13,000	13,000	13,000
	Co-fin 1.6 Engage experts with proven experience to work on the preparation of proposals to be submitted under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility;	52,000		26,000		26,000
	1.4 Establish and implement the no-objection procedure as per the Fund's Initial no-objection procedure (in target countries)	20,000 Serbia 20,000 Montenegro 18,000 Albania	10,000 S 10,000 M 5,000 A	10,000 S 10,000 M 13,000 A		
	Sub-total outcome 1	486,800	213,900	212,900	21,000	39,000
2. Stakeholders engaged in consultative processes	2.1 Prepare a country programme including development priorities with respect to the Green Climate Fund, consistent with the country's national environmental, waste management, industrial, agricultural and energy strategies, and the Fund's Initial results management framework (in the target countries)	140,000 Serbia 138,900 Montenegro 142,000 Albania	55,000 S 65,300 M 72,500 A	85,000 S 73,600 M 69,500 A		
	Co-fin 1.4 Organize a regional multi-stakeholder meeting on Green Climate Fund regional engagement and prioritization	30,000	5,000	25,000		
	Co-fin 2.1 Assist the countries of the Western Balkans in identifying projects and programmes that advance national, regional and GCF strategic priorities (in line with Country Programme prioritization)	15,000	10,000		5,000	

	Co-fin 2.2 Provide technical support for the preparation of project concepts and project proposals to be submitted to the GCF, including supporting documents (in line with Country Programme prioritization)	485,000		190,000	147,500	147,500
Sub-total outcome 2		950,900	207,800	443,100	152,500	147,500
3. Direct access realized	3.1 Identify mechanisms to facilitate the communication of nominations of prospective public and private sector entities seeking accreditation with the Fund (in target countries)	20,000 Serbia 21,100 Montenegro 20,000 Albania		20,000 S 21,100 M 20,000 A		
Sub-total outcome 3		61,100		61,100		
Sub-total activities		1,498,800	421,700	717,100	173,500	186,500
CONTINGENCY (UP TO 5%)		39,600	19,800	19,800		
Delivery Partner Fee (UP TO 10%)		81,600	40,800	40,800		
Administrative management costs Co-fin		80,000	20,000	20,000	20,000	20,000
TOTAL (in USD)		1,700,000	502,300	797,700	193,500	206,500

Annex II: Terms of References of the Steering Group

The objective

The Steering Group established under the Article III paragraph 2 of the Donor Agreement constitutes a platform for strategic operational endorsement of preparation, implementation and monitoring of the Donor's contribution.

The composition and meeting schedule

The Group shall be comprised of one representative of the UN Environment and one representative of the Donor, while further persons from the UN Environment and the Donor can join the meetings. Additionally, one representative from the scientific institution with significant experience in climate policy and finance that is to be engaged by UN Environment as an implementation partner will be an observer of the Steering Group. The Steering Group shall meet quarterly unless decided otherwise. The meeting of the Steering Group could also be held through video or tele conference calls. Special meetings will be held upon suggestion of any of the two members.

Minutes

Any meeting of the Steering Committee shall have its minutes taken and approved in accordance with the procedure decided by consensus during the first meeting of the Steering Committee.

The role of the Group

The role of the Steering Group is to:

- consult and endorse by consensus any changes to the cost estimation included in Annex I;
- communicate mission preparations and time schedule in Serbia and/or in other countries of Western Balkans if selected according with this Donor Agreement;
- consult and endorse changes by consensus of the Program including the Program specification in Annex I;
- decide on the matter of ownership of equipment, supplies and other properties financed from the contribution;
- provide a platform for settlement of any disputes or claims in accordance with art. XII, if occurs.

Annex III. Activity-based division of responsibilities between UN Environment and the selected scientific partner

The overall objective of this project is to facilitate the engagement with, and the access to, the Green Climate Fund for the countries of the Western Balkans. This will be done by furthering the activities planned under the Readiness and Preparatory Programme project for what concerns capacity building - also in a regional context - and by providing technical support for the development of concepts and proposals to be submitted to the GCF (NAP Readiness, Project Preparation Facility, GCF project proposals...) for projects prioritized on a national or regional level, and once approved, in the Country Programmes developed under the Readiness and Preparatory support Programme. While the overall coordination and project management will be maintained by UN Environment for all of the activities under this project, for some activities requiring specific technical expertise UN Environment will avail itself of a scientific partner with a proven track record and familiarity with the region. Below a table summarizing the division of responsibilities between UN Environment and the scientific partner that will be selected.

COMPONENTS	ACTIVITIES	TOTAL COST ¹ (per activity)	UN Environment	Scientific partner
Component 1. Strengthening the capacities to engage with the GCF	1.1 Develop and deliver training modules on climate finance access, including Green Climate Fund	625,000	Lead;	
	1.2 Develop and deliver training modules on proposal preparation under the Green Climate Fund	625,000	Lead;	
	1.3. Develop a tool-kit on climate finance access, including Green Climate Fund	900,000	Lead;	
	1.4. Organize a regional multi-stakeholder meeting on Green Climate Fund regional engagement and prioritization	750,000	Lead;	

¹ inclusive of contingency costs and costs associated to project management; cost is expressed in Czech Crowns;

	1.5 Place expert in the NFP coordination team of a pilot country to strengthen their capacities to fruitfully engage with the Fund (including preparation of Country Programme)	1,300,000		Lead; under the overall coordination of UN Environment, the scientific partner is expected to temporarily place one or more experts in one or more pilot countries, thus strengthening the capacities of the beneficiary NFP to fruitfully engage with the fund;
	1.6 Engage experts with proven experience to work on the preparation of proposals to be submitted under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility;	1,300,000		Lead; under the overall coordination of UN Environment, the scientific partner is expected to engage one or more experts to support the preparation of proposals to be submitted under the NAP Readiness Preparatory and Support Programme and Project Preparation Facility in one or more pilot countries;
Subtotal component 1.		5,500,000		
Component 2. Supporting access to the GCF	2.1. Assist the countries of the Western Balkans in identifying projects and programmes that advance national, regional and GCF strategic priorities (in line with Country Programme prioritization)	375,000	Lead;	
	2.2. Provide technical support for the preparation of project concepts and project proposals to be submitted to the GCF (including supporting documents)	12,125,000		Lead; under the overall coordination of UN Environment the scientific expert will be expected to provide technical expertise enabling the beneficiary countries to prepare national or regional submissions (either project concepts ² or project proposals ³) to the GCF; these are expected to be technically sound and of a quality acceptable to the GCF

² Including a prefeasibility study:

³ Including a feasibility study, environmental, social and gender studies as well as risk assessments;

				Secretariat;
Sub-total component 2		12,500,000		
Total project activities		18,000,000		