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**ANNEX 2**

**to Commission Implementing Decision on the ENI East Regional Action Programme 2017 Part 2 (including two actions on budget 2018 and two actions on budget 2018 & 2019), to be financed from the general budget of the European Union**

**Action Document for EU4Climate**

<b>1. Title/basic act/ CRIS number</b>	EU4Climate CRIS number: - ENI/2017/040-348 - ENI/2018/040-633 financed under European Neighbourhood Instrument
<b>2. Zone benefiting from the action/location</b>	Six Eastern Partnership countries: Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine
<b>3. Programming document</b>	Regional East Strategy Paper (2014-2020) and Multiannual Indicative Programme (2017-2020)
<b>4. Sector of concentration/ thematic area</b>	Climate action
<b>5. Amounts concerned</b>	Total estimated cost: EUR 8 800 000 Total amount of EU budget contribution: EUR 8 000 000 The contribution is for an amount of - EUR 5 000 000 from the general budget of the European Union for 2017 - EUR 3 000 000 from the general budget of the European Union for 2018, subject to the availability of appropriations following the adoption of the relevant budget This action is co-financed in joint co-financing for an amount of EUR 800 000 by UNDP
<b>6. Aid modality(ies)</b>	Project Modality

<b>and implementation modality(ies)</b>	Indirect management with the United Nations Development Programme (UNDP)			
<b>7. DAC code(s)</b>	41010 - Environmental policy and administrative management			
<b>8. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
	Biological diversity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>9. Global Public Goods and Challenges (GPGC) thematic flagships</b>	1. Global Climate Change Alliance + (GCCA+) 12. Climate-change mitigation: supporting low-carbon development.			
<b>10. SDGs</b>	Main SDG Goal: 13 – Climate Action Secondary SDG Goals: 11 Sustainable Cities and Communities; 17 Partnerships for the Goals			

## SUMMARY

The objective of the programme is to support the development and implementation of climate-related policies by the Eastern Partnership countries which contribute to their low emission and climate resilient development and their commitments to the 2016 Paris Agreement on Climate Change<sup>1</sup>. It identifies key actions and results in line with the Paris Agreement, the "20 Deliverables for 2020"<sup>2</sup>, and the key global policy goals set by the UN 2030 Agenda for Sustainable Development.<sup>3</sup> The Initiative will also translate into action priorities outlined in the Eastern Partnership Ministerial Declaration on Environment and Climate Change of October 2016.<sup>4</sup>

<sup>1</sup> Adoption of the Paris Agreement, Proposal by the President:

<https://unfccc.int/resource/docs/2015/cop21/eng/109r01.pdf>.

<sup>2</sup> Joint Staff Working Document "Eastern Partnership - Focusing on key priorities and deliverables":

[https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near-eeas\\_joint\\_swd\\_2016467\\_0.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near-eeas_joint_swd_2016467_0.pdf).

<sup>3</sup> Transforming our world: the 2030 Agenda for Sustainable Development:

[http://www.un.org/ga/search/view\\_doc.asp?symbol=A/RES/70/1&Lang=E](http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E).

<sup>4</sup> Eastern Partnership Ministerial Declaration on Environment and Climate Change:

The following results will be achieved:

- Finalized nationally determined contributions and national mid-century strategies and communicated to the United Nations Framework Convention on Climate Change (UNFCCC)
- Improved inter-institutional awareness and coordination at political and technical level of the Paris Agreement and the corresponding national commitments
- Established or strengthened measurement, reporting and verification (MRV) systems, with countries getting on track with Paris Agreement transparency requirements
- Establishment of concrete sectoral guidelines for the implementation of the Paris Agreement in each of the Eastern Partners
- Advanced alignment with EU acquis as provided by bilateral agreements with EU
- Increased mobilization of climate finance, including under the Neighbourhood Investment Facility (NIF), which is soon to be transformed to Neighbourhood Investment Platform (NIP)
- Enhanced adaptation planning.

## 1 CONTEXT

### 1.1 Sector/Country/Regional context/Thematic area

#### 1.1.1 *Public Policy Assessment and EU Policy Framework*

The Paris Agreement on Climate Change, which entered into force in November 2016, sets out a global action plan to put the world on track to avoid dangerous climate change acknowledging that this will require a global peaking of greenhouse gas emissions as soon as possible and achieving climate neutrality in the second half of this century. The transition to a low carbon, resource-efficient economy demands a fundamental shift in technology, energy, economics, finance and ultimately society as a whole. For the EU and the Eastern Partner countries, this provides important opportunities, notably for economic transformation, jobs and growth.

The Eastern Partnership initiative represents the Eastern dimension of the European Neighbourhood Policy and aims to deepen and strengthen relations between the EU and its six Eastern neighbours, Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova<sup>5</sup> and Ukraine. Multilateral climate cooperation with Eastern Partner countries is undertaken under a thematic Panel, which facilitates the exchange of information and best practices in the development and implementation of environment and climate change policies and promotes convergence with EU legislation as appropriate.

According to the Joint Communication from the High Representative for Foreign Affairs and Security Policy and the European Commission on the Review of the European Neighbourhood

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[http://ec.europa.eu/environment/international\\_issues/pdf/declaration\\_on\\_cooperation\\_eastern\\_partnership.pdf](http://ec.europa.eu/environment/international_issues/pdf/declaration_on_cooperation_eastern_partnership.pdf)

<sup>5</sup> Hereinafter referred to as Moldova.

Policy of November 2015<sup>6</sup>, the EU will put greater attention to the energy security and climate action both of the EU and of its partners. The joint communication proposes "energy security and climate action" as a joint priority for cooperation and calls for the "promotion of the full implementation of the expected Paris Climate Agreement and its subsequent developments". The EU commits to share best practices, including on the introduction of "robust emissions monitoring, reporting and verification frameworks, including in the longer term, emission trading systems, which could be linked to the EU emissions trading system as they become ready."

This is in line with this approach, that the Joint Staff Working Document "Eastern Partnership - Focusing on key priorities and deliverables"<sup>7</sup> was issued by the European Commission and High Representative of the Union for Foreign Affairs and Security Policy in December 2016 to propose concrete deliverables with milestones to be achieved by the 2017 Eastern Partnership Summit and targets to be reached by 2020. The results of this action are aligned with these 2020 targets, as reflected in section 4.1 of this document.

Similarly, the First EaP Ministerial Meeting on Environment and Climate Change (18 October 2016) adopted a Declaration that re-affirms the importance of Climate Change mitigation and adaptation and underlined the resolve for cooperation in this domain.<sup>8</sup>

Georgia, Moldova and Ukraine have signed Association Agreements with the EU, which contain specific commitments for the countries to align with the EU Regulations on ozone-depleting substances (ODS) and fluorinated greenhouse gases (f-Gases), as well as with specific provisions of the Emission Trading System (ETS) Directive in the case of Moldova and Ukraine and the Fuel Quality Directive (Moldova only).

On 26 February 2017, the EU concluded negotiations for a new Comprehensive and Enhanced Partnership Agreement with Armenia which aims for legislative approximation with EU acquis on ODS, f-gases, ETS and MRV. Negotiations for a new agreement with Azerbaijan have been launched on 7 February 2017.

Within the Eastern Partner countries, Ukraine, Moldova and Georgia are members of the Energy Community. In October 2016, the Ministerial Council of the Energy Community has adopted a Recommendation to incorporate the core elements of the EU Monitoring Mechanism Regulation<sup>9</sup> ("MMR") into the Energy Community acquis.

### ***1.1.2 Stakeholder analysis***

The following core stakeholders will be involved in all programme activities and become the main partners in implementation of the programme:

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<sup>6</sup> [http://eeas.europa.eu/archives/docs/enp/documents/2015/151118\\_joint-communication\\_review-of-the-enp\\_en.pdf](http://eeas.europa.eu/archives/docs/enp/documents/2015/151118_joint-communication_review-of-the-enp_en.pdf)

<sup>7</sup> Ibid footnote 2.

<sup>8</sup> [http://ec.europa.eu/environment/international\\_issues/pdf/declaration\\_on\\_cooperation\\_eastern\\_partnership.pdf](http://ec.europa.eu/environment/international_issues/pdf/declaration_on_cooperation_eastern_partnership.pdf)

<sup>9</sup> Regulation (EU) No 525/2013 of the European Parliament and of the Council of 21 May 2013 on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change: <http://data.europa.eu/eli/reg/2013/525/oj>.

- Competent authority within national government to coordinate climate change mitigation and adaptation policies. This often coincides with the Focal Point for the UNFCCC. In most cases this is the Ministry responsible for environmental issues;
- Technical departments of other relevant ministries (i.e. environment, energy, natural resources, economy, industry, agriculture, finance) and other government agencies (i.e. forestry, water management agencies);
- Technical and administrative structures responsible for the design, implementation, and operation of the ETS, as well as the energy and industrial installations covered by the scheme;
- Major regional and national structures responsible for the management of natural resources, i.e. forests, rivers, oceans, permafrost soils;
- Competent authority for the Clean Development Mechanism (CDM), Joint Implementation (JI) and international emission trading.

Other stakeholders such as regional and local governments, civil society organisations (i.e. NGOs, academia) and the private sector shall be involved in and benefit from certain specific activities.

### ***1.1.3 Priority areas for support/problem analysis***

The action addresses the following priority areas:

1. *Development of mid-century, long-term low greenhouse gas emission development strategies (LEDS):* Under the Paris Agreement all parties are invited to develop, by 2020, mid-century long-term LEDS. A number of countries, including some EU Member States, have already submitted their strategies and Eastern partner countries will have to start this exercise soon. To be successful, this will require an inclusive process, ensuring country ownership and involvement of all relevant stakeholders across sectors.
2. *Sectoral implementation and update of nationally determined contributions (NDCs) to the Paris Agreement:* All six Eastern Partners have submitted intended nationally determined contributions, some of which have already become NDCs. While the combined efforts of the international community are still far from sufficient to meet the well-below 2°C target, fulfilling the existing commitments will already be a challenge. With the successful entry into force of the Paris Agreement, the focus must now rapidly shift towards implementation. This will require resolute action in all sectors of the economy. At the same time, Eastern partners will have to update their NDCs by 2020 with an increase in ambition.
3. *Introduction of robust domestic transparency rules, including for emissions monitoring, reporting and verification (MRV):* The Paris Agreement establishes a new transparency regime, under which Eastern Partners will have to report progress on reducing greenhouse gas emissions and building climate resilience. This transparency regime is currently being

established within the UNFCCC framework and its final details are still to be defined. Also, the draft agreement with Armenia equally foresees legal approximation to EU MRV rules and the Energy Community has recommended its members to prepare for the inclusion of these rules. In the past years, significant technical assistance has been provided by the regional *Clima East* project, but Eastern Partner's capacities for MRV, including with respect to certain aspects of national inventory systems, still need to be improved further.

4. *Alignment with EU acquis included in bilateral agreements (e.g. MRV, ETS, ODS, f-gas) and in the Energy Community Treaty:* The process of legislative approximation foreseen in the Association Agreements with Georgia, Moldova and Ukraine and in the draft agreement with Armenia will help to create a modern, transparent and predictable environment for consumers, investors and business people. As the deadlines foreseen in these agreements come closer or have even passed in some cases, their importance will grow and increasingly define the bilateral cooperation between the EU and its partners. Because of the principle of "dynamic approximation" enshrined in the Association Agreements, partner countries will have to take into account the latest version of relevant EU climate legislation, which has been substantially amended since the agreements had been established. At the same time, the three regional members of the Energy Community may soon have to align their legislation with the EU Monitoring Mechanism Regulation, which itself is being replaced in the EU by a new governance regime. Legislative approximation with EU climate legislation will help the concerned Eastern Partners to meet their international obligations under the Paris Agreement and the Montreal Protocol.
5. *Mainstream climate in other policy sectors, such as energy, transport, agriculture, etc.:* By signing and ratifying the Paris Agreement, Eastern Partners have made a strong commitment to transforming their countries into low-carbon economies. This ambitious objective will require a holistic approach, where climate change is mainstreamed into development policies, plans and programmes across all sectors of the economy. Climate change is still too often seen as a purely environmental issue. It will be of utmost importance to strengthen coordination between different parts of the government and to ensure ownership of sectoral ministries for the process.
6. *Adaptation planning:* Eastern Partner countries are highly vulnerable to the adverse effects of climate change. An increase in extreme weather events, more frequent heat waves, forest fires and droughts, heavier precipitation and flooding are just some of the consequences, which are likely to enlarge the magnitude of disasters and to lead to significant economic losses, public health problems and deaths. Under the Paris Agreement, adaptation issues are for the first time on par with mitigation. The Agreement aims for "enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change". Countries will have to submit and periodically update information about their adaptation priorities, implementation, and support needs. Thus, Eastern Partners are expected to undertake adaptation planning and action, and to communicate about those actions to the international community. However, many countries still lack coherent national and sectoral adaptation plans. Also, more should be done to involve the local level in this planning.

## 2 RISKS AND ASSUMPTIONS

<b>Risks</b>	<b>Risk level (H/M/L)</b>	<b>Mitigating measures</b>
Lack of full support during implementation despite alignment with needs identified by governments during the programming phase	M	Regular political dialogue with the countries of the region
Delays because of heavy bureaucratic procedures within the beneficiary governments	M	Systematic involvement of the EU Delegations and provision of support to project implementers, blended with careful planning of activities and good knowledge of procedural requirements by the beneficiary governments
Important degree of staff turnover in beneficiary institutions and erosion of institutional memory	H	The widest possible involvement of technical staff and mid-level managers
Political and social unrest	H	Flexibility in reallocating resources to other countries if activities are at the country level
Institutional tensions among various stakeholders, including governmental authorities	H	Involvement of influential stakeholders able to facilitate the achievement of compromise.
Changing policy priorities	M	Careful monitoring of policy reforms
Lack of absorption capacity in beneficiary countries	M	Sequencing of activities and donor coordination
Problems in recruiting national experts	L	Transparency of recruitment procedures
Lack of willingness/capability of other ministries or government agencies to participate in the "holistic approach" needed to fight climate change	M	Coordination with and full use of the Commission's climate policy tools at highest political levels and at technical level across sectors. The project will seek synergies with the work of the EU High Level Advisers in the region.
<b>Assumptions</b>		
<ul style="list-style-type: none"> <li>• Beneficiaries remain interested in, and available for, programme activities;</li> <li>• Alignment with needs identified by the government translate into full support by the authorities in the implementation phase;</li> <li>• Decision-making by recipient authorities is overall timely and coherent;</li> <li>• Selected implementation arrangements are effective and not contested by beneficiary countries;</li> <li>• Policy priorities do not suffer sudden and radical changes;</li> <li>• Political, social and economic stability is preserved in the entire region;</li> <li>• Interest in cooperating with the EU is maintained;</li> <li>• Resources for implementation are available timely;</li> <li>• Programme's governance is effective.</li> </ul>		

### **3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES**

#### **3.1 Lessons learnt**

The EU-funded projects ClimaEast Programme (2013-2017) supported Climate Change Mitigation and Adaptation in Neighbourhood East and Russia – Policy (EUR 8 100 000) and Pilots (EUR 11 000 000) (2012-2017).

Implementation of the two Clima East components was separate but closely linked, aiming to deriving policy lessons from the experience of the pilots, and the pilots taking into account the changes at the policy level.

Clima East Policy aimed at developing approaches to climate change mitigation and adaptation, in order to better equip partners to achieve greenhouse-gas emission reductions, and deal more effectively with the impacts of climate change. The Clima East Policy project supported the partner countries to (i) engage effectively in international negotiations and delivering on their commitments under international (UNFCCC) agreements, (ii) design/modify appropriate legislation to underpin national policy, and align it with, as deemed appropriate, EU climate change law and approaches, (iii) strengthen capacity for strategic planning with regard to mitigation (including the development economy-wide and sectoral low-carbon strategies) and adaptation to climate change.

Clima East Pilots (2012-2017) demonstrated how intact or restored ecosystems such as peatlands, permafrost landscapes, boreal forests and pasture land can have a strong and cost-efficient positive effect both on climate change mitigation and adaptation and on people's livelihoods. This component achieved its objectives by establishing a number of pilots in the 6 Eastern Partner countries and Russia which can serve as best practises for the future. Based on the outcome of those pilot projects, full-scaled adaptation projects will be pursued as separate bilateral ENI projects on a case-by-case basis. The present project will therefore exclusively focus on the policy component. The proposed new project will benefit from the GHG emissions/sequestration monitoring and analysis generated by the Clima East pilots for the outputs and activities related to MRV systems and sectoral planning in the forestry and land use sectors.

During its lifetime, Clima East had to deal with a number of unforeseen developments in the area of international climate negotiations. The future action will allow for the necessary flexibility to react to such unforeseen developments. Action planning will be subject to reviews timed in a way to allow for the taking into account of the results of the annual Conferences of the Parties (COP) to the Paris Agreement.

#### **3.2 Complementarity, synergy and donor coordination**

The Work Programme for 2014 – 17 of Eastern Partnership Platform 2 on "Economic integration and convergence with EU policies" states that "close coordination will be sought with the activities of the Energy Security Platform and its Flagship initiative in the field of sustainable energy ... due to the cross-cutting nature of environmental issues and climate change." This has also been acknowledged in the revised Work Programme of Platform 3 on Energy which lists the implementation of the Paris Agreement on Climate Change as one of its priorities. The current architecture of Eastern Partnership of multilateral platforms is currently under revision and likely to change before or during the implementation of the action.



Climate change mitigation action is also addressed by EU-funded regional energy programmes such as EU4Energy, a four-year project on improved energy data and evidence-based energy policy-making in Eastern Europe, Caucasus and Central Asia with a budget of EUR 20 million. The Programme, which is implemented by the International Energy Agency (IEA), the Energy Community Secretariat and the Energy Charter Secretariat, includes as one of its objectives contribution to achieving the targets of the Paris Agreement.

The Covenant of Mayors East (CoMO East) initiative – in place since 2011 - provides specific assistance to local and regional authorities from the Eastern Partnership region in developing sustainable energy planning or in drafting Sustainable Energy and Climate Action Plans (SECAPs).

Through the CoMO East initiative, almost 200 cities have signed up in the Eastern Partnership countries and over 80 of them have already produced and submitted their Sustainable Energy and Climate Action Plans. The second phase of CoMO East (EUR 4.5 million) has been launched in 2016 and will cover the period until 2020.

The Green for Growth Fund (GGF) is a structured fund (public private partnership) providing financing and technical assistance for energy efficiency and renewable energy. It provides refinancing for investments in energy efficiency and renewable energies to small and medium sized enterprises (SMEs) and households, primarily via local financial institutions. Established in 2009 to operate in South Eastern Europe, it has been extended in 2012 to cover also Armenia, Azerbaijan, Georgia, Moldova and Ukraine.

The EU also contributes through its Neighbourhood Investment Facility (NIF), which is soon to be transformed to Neighbourhood Investment Platform (NIP), to the Eastern Europe Energy Efficiency and Environment Partnership (E5P), which aims to promote energy efficiency investments in Eastern Partnership countries.

The proposed project will establish coordination and synergy with the other technical assistance projects in the beneficiary countries supported by multilateral and bilateral donors. Cross-fertilization of ideas and best practices will be established between this proposed project and the *Low Emission Capacity Building (LECB) Programme*, financed by the EU and implemented by UNDP in 38 countries (including Moldova), and its successor programme.. The Global LECB Programme supports countries for activities related to the Paris Agreement on Climate Change and in particular NDCs. It notably provided support in the implementation of NDCs, the preparation of LEDS and the establishment of MRV systems and Greenhouse Gas Inventory Systems, which are all also important subjects of the proposed project. It will most likely be succeeded by a new global NDC support programme. The proposed project will therefore be able to draw from the experiences and lessons learned of the LECB Programme, build on its results (particularly in the case of Moldova) and search synergies and coordinate with the new global NDC support programme.

In the EU Eastern Partnership, countries have been receiving capacity building support and technical assistance from the Global Environment Facility in setting up UNFCCC monitoring and reporting frameworks through the on-going *Global Support Programme on National Communications and Biannual Update Report* (led by UNDP and UNEP). Support to adaptation planning has been provided with the UNDP assistance in the framework of the *Global Support Programme on National Adaptation Plans*. The new *Readiness Programme of the Green Climate*

*Fund* offers support to eligible countries for the initiation, formulation and implementation of the national adaptation plans. In 2016-2017 UNDP have been supporting the countries in the region to develop National Adaptation Plan (NAP) applications to the Green Climate Fund (GCF). Countries have also been receiving support in climate policy development and enhanced capacities for the implementation of Paris Climate Agreement from the governments of Austria, Germany, USA and others. Section 4.3 provides references to such partner projects relevant to the proposed EU priority areas/outputs.

### **3.3 Cross-cutting issues**

Climate change is the topic of the programme. Environmental sustainability is also an aim of the package. Good governance should be a positive side effect of the programme, as modern government and administration has to include medium- and long-term environmental planning on issues such as climate change adaptation. Human rights should not be directly affected, but access to environment information shall improve, with possible positive effects under the Aarhus Convention.

The project will make a positive contribution to mainstreaming gender into the development and climate policies. In particular, gender considerations will be taken into account and mainstreamed through the development of LEDS, national adaptation plans and mainstreaming of climate change into sectoral strategies and plans. Gender disaggregated indicators will be proposed for the national policy instruments/plans. Moldova has a positive practical experience in mainstreaming gender into national and sectoral climate change adaptation policies, for example through the UNDP-led national adaptation planning project supported by the Government of Austria. Gender and climate change mainstreaming knowledge and guidance developed by this project will be applied throughout the implementation of this project.

The project will contribute to national SDGs implementation and reporting. LEDSs and NAPs are included as indicators under SDG 13 "Take urgent action to combat climate change and its impacts". Beyond SDG 13 on Climate Action, the project will indirectly contribute to the achievement of other SDGs related to poverty, food and water security, urban and rural resilience, gender equality, affordable and clean energy, responsible production and consumption and partnership. This contribution will be possible through enhanced national planning capacities, reducing vulnerability of economic sectors to climate risks, spearheading mitigation action in energy production and energy consuming sectors. The project through its MRV activities could also contribute to enhanced SDG reporting.

## **4. Description of the action**

### **4.1 Objectives/results**

The overall objective of this action is to contribute to climate change mitigation and adaptation and the development towards a low-emissions and climate-resilient economy in line with the Paris Agreement.

The specific objectives are to:

- strengthen the capacity for domestic implementation of the Paris Agreement,

- enhance transparency of emissions and climate action,
- mainstream climate in other policy sectors, such as energy, transport, agriculture, and
- achieve the objectives of climate-related provisions of bilateral agreements with the EU through advancing their implementation.

To realize these specific objectives, the following results should be achieved:

- Result 1: Finalized nationally determined contributions and national mid-century strategies and communicated to the UNFCCC
- Result 2: Improved inter-institutional awareness and coordination at political and technical level of the Paris Agreement and the corresponding national commitments
- Result 3: Established or strengthened MRV systems, with countries getting on track with Paris Agreement transparency requirements
- Result 4: Establishment of concrete sectoral guidelines for the implementation of the Paris Agreement in each of the Eastern Partners
- Result 5: Advanced alignment with EU acquis as provided by bilateral agreements with EU
- Result 6: Increased mobilization of climate finance (including under NIF/NIP)
- Result 7: Adoption of national and sectoral adaptation plans

## 4.2 Main activities

To achieve its results, the programme will carry out the following main activities:

Result 1 will be achieved by supporting the development of climate policies towards implementation of the nationally determined contributions under the Paris Agreement, including through training on analytical tools (low emissions scenario modelling and pathways using various modelling platforms). This activity will be carried out by providing (a) support for the finalization of nationally determined contributions where requested by Partner countries; (b) support in the process of drafting of mid-century strategies and coordination of national process where requested by Partner countries; and (c) targeted assistance for the drafting of policy guidance documents at regional level.

To achieve result 2, the action will support improved inter-institutional awareness and coordination, including through regional and/or national high level and technical dialogues between the EU and its Eastern Partners, and reach out to the general public, in particular to the younger generation. This activity will further promote climate action and the implementation of the Paris Agreement both at the highest political levels and at technical level across sectors. It will seek synergies with the work of the EU High Level Advisers in the region and in particular with the specific EU High Level Advisers on energy, environment and climate change, where available. In its awareness raising and outreach activities, the action will emphasise the potential of a shift towards a low-emission economy, such as economic benefits arising from increased energy efficiency, technological innovation and improved public health.

Another component, linked to the result 3, will be support to the transparency process, including for emissions monitoring, reporting and verification, and support to development of

regional/national carbon pricing tools. This activity will be supported by the EEA and coordinated closely with the Energy Community Secretariat. It will focus on (a) supporting the upgrade of national GHG monitoring, reporting and verification practices towards compliance with the EU Monitoring Mechanism Regulation and the Paris Agreement transparency requirements; (b) provision of targeted, in-depth support to model the costs and benefits of carbon pricing policy options; and (c) building capacity on emissions trading, including on monitoring, reporting, accreditation and verification, but also other aspects like permitting, allocation and issuing of allowances through auctioning, benchmarking, carbon leakage, preparation of national implementing measures, registries, and public participation. Training missions from member states experts to the project beneficiaries can be considered.

To achieve result 4 and to support the mainstreaming of climate action into other policy areas, the action will provide targeted practical assistance to support the drafting, fine-tuning and implementation of sectoral policy documents and legislation on low carbon development, mitigation and adaptation as well as related assessments of social and economic impacts

For those countries that have concluded bilateral agreements with the EU, support will be provided in the implementation of their climate-related provisions (result 5). This concerns targeted practical assistance (a) to implement the climate-related provisions of the Association Agendas and the Association Agreements with Georgia, Moldova and Ukraine, including through the drafting of policy documents and legislation aligned with the EU Regulations on ODS and F-Gases, as well as with specific provisions of the Emission Trading System (ETS) Directive in the case of Moldova and Ukraine; and (b) to support the alignment with EU climate *acquis*, as specified in the future cooperation/framework agreements with Azerbaijan and Armenia.

Result 6 will be achieved by enhancing the use of financial instruments for climate change mitigation and adaptation activities. This concerns (a) the provision of training and capacity building to relevant staff in the ministries to enable them to develop a prioritized pipeline of bankable projects and (b) the facilitation of exchanges between EUDs, IFIs and national authorities for the identification and development of bankable projects, including for presentation to the Neighbourhood Investment Facility (e.g. "climate finance days" in each country and at regional level).

Finally, for the attainment of the result 7 it is intended to enhance the beneficiaries' adaptation planning by supporting cross-border and national adaptation action tailored to the Paris Agreement objectives. This activity would consist of (a) assisting in the drafting and finalization of national and sectoral adaptation plans and (b) in facilitating policies and regulations that would support adaptation activities under the Covenant of Mayors initiative and other actions targeting local authorities and SMEs investments in energy efficiency and sustainable energy.

### **4.3 Intervention logic**

The proposed intervention logic is developed based on the analysis of progress, needs and on-going partners' projects addressing climate policy development in each of the Eastern Partnership countries. As outlines above, the purpose of the intervention is to strengthen capacities of the beneficiary countries to implement their commitments under the Paris Climate Agreement and to achieve low carbon and climate resilient development. The key elements and sequence of the national climate policy development in the context of the Paris Agreement include the following:

- (i) development and adoption of Low-emission Development Strategies and adaptation strategies and plans aligned with the NDCs, Sustainable Development Goals and the EU *acquis*;
- (ii) development of respective sectoral plans for sectoral implementation of the NDCs and LEDSS;
- (iii) setting up robust MRV systems and iterative review of NDCs towards more ambitious targets.

All these elements will be adequately reflected in the proposed priority areas (outputs) of the project.

Thus, the project implementation will follow the logic of the Paris Agreement framework and its subsequent developments. For the implementation of the NDCs there is a need to have in place LEDSS and respective sectoral plans; adaptation plans; mechanisms such as ETS or the new market based mechanism (sustainable development mechanism SDM); respective robust transparency systems, including on monitoring reporting and verification (MRV) for their implementation and the needed finance. That's why, timewise the activities will follow the natural sequence of the Paris Agreement framework implementation.

The beneficiary countries have limited institutional, technical and financial capacities to meet these challenges. In order to address these gaps, the action will support: (i) the development of the strategic documents and monitoring frameworks; (ii) strengthening institutional capacities and knowledge through institutional capacity reviews, recommendations for structural changes as needed; and (iii) enhancing national expertise and knowledge exchange opportunities through workshops, trainings, study tours and improved stakeholder participation. The action will do so in close coordination with the other on-going activities supported by the countries themselves and their development partners (past and on-going EU projects, other bilateral donors' support, GEF and GCF support). The action will be aligned with the work of Ukraine, Moldova and Georgia under the Energy Community and with the work under the Covenant of Mayors initiative. Thus, the proposed project strategy is based on the analysis of baseline activities and on-going projects to secure complementarity and efficiency of the technical assistance.

Throughout the suggested project activities the respective climate change EU *acquis* will be integrated and EU best practices will be shared. Relevant technical guidance on various elements of climate policy development will be used through the capacity building and training activities.

The particular value-added of this action is related to the support it provides to the regional cooperation, learning, knowledge exchanges and policy dialogue among the beneficiary countries and between the countries and the EU partners. Such regional/sub-regional exchanges and dialogue will be supported for each of the proposed six thematic priority areas. In addition to the regional activities, the project will provide tailored technical assistance to beneficiary countries based on the specific needs identified by the countries in relation to the priority areas.

The beneficiary countries have different status and commitments under the UNFCCC (Belarus and Ukraine are Annex I countries). Georgia, Moldova and Ukraine have signed Association Agreements with the EU, which contain specific commitments for the countries to align with the EU Regulations on ozone-depleting substances (ODS) and fluorinated greenhouse gases (f-Gases), as well as with specific provisions of the Emission Trading System (ETS) Directive in the case of Moldova and Ukraine and the Fuel Quality Directive (Moldova only). In addition, Armenia has concluded negotiations with the EU on a new agreement and Ukraine, Moldova and

Georgia are members of the the Energy Community. Naturally, some of the countries are more advanced than others in terms of implementing the Paris Agreement, for example, Ukraine and Moldova have in place Low-emission Development strategies already. These and other factors define some differences in the capacity building and technical assistance needs of the individual countries. The project will reflect these differences and will provide targeted support to all the countries based on their needs.

Horizontally to all planned measures, the action will adopt an approach intended to maximise the capacity building effect and ensure sustainability of results. In particular:

- Any development of new strategic document and legislation/amendments will be carried out respecting all national procedures, especially those related to (fiscal/ regulatory) impact assessments, public consultations, inter-ministerial coordination; fast-track adoption procedures will be avoided. Prior to legislative drafting support, assistance will facilitate early stage stakeholder involvement and will provide analytical prerequisites (concept support, option analysis). Actual development of policy and legislatives outputs will be mainly done by the beneficiaries and even if particular textual drafting is partly done by experts, this work should be paired with capacity building of the beneficiary (introduction of international examples, detailed explanation of proposed texts etc.);
- Any manual/guidelines will be mainly developed by the beneficiary institutions and will be simple enough to be regularly reviewed and updated by the beneficiaries without further external support. Any guidelines or procedures developed under this action will not contradict any legal provision of the country.

## **5 IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of adoption by the Commission of this Action Document.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

### **5.4 Implementation modalities**

Both in indirect and direct management, the Commission will ensure that EU appropriate rules and procedures for providing financing to third parties are respected, including review

procedures, where appropriate, and compliance of the action with EU restrictive measures affecting the respective countries of operation.

#### **5.4.1 Indirect management with an international organisation**

This action may be implemented in indirect management with United Nations Development Programme (UNDP) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails the management of the activities foreseen in this Action Document. This implementation is justified because UNDP

- has the necessary experience in climate change adaptation and mitigation with a proven track record of successful delivery of on-the-ground technical assistance in the Eastern Partner countries;
- benefits from a strong regional presence through its Istanbul Regional Hub and local offices in each of the six Eastern Partner countries;
- enjoys access to different levels and departments of the government including excellent contacts at the highest political level;
- has a track record of successful projects in the areas targeted by this action (support to INDCs, MRV systems national and sectoral policy mainstreaming, adaptation planning, improved institutional awareness and coordination on Paris commitments etc.)
- carries critical knowledge about the countries' needs and potential.

The entrusted entity would carry out the following budget-implementation tasks: management of the public procurement for supplies, works and services, contracting and payments (liquidation of eligible costs and recovery); financial monitoring, preparation support for audits.

In the implementation of the action, UNDP should establish contacts with the European Environment Agency (EEA) to support the objectives in the area of monitoring, reporting and verification (MRV) of greenhouse gas (GHG) emissions. EEA is responsible for the annual compilation and publication of the European Union GHG inventory and has unique experience in this area. Currently, these countries are not the EEA members and do not submit their GHG inventory reports to the Agency.

If negotiations with the above-mentioned entrusted entity fail, that part of this action may be implemented under direct management in accordance with the modalities detailed below in section 5.4.2

#### **5.4.2 Changes from indirect to direct management mode due to exceptional circumstances and alternative scenario**

It is sensible to consider an alternative implementation approach should it reveal not possible to conclude the planned agreements detailed under section 5.4.1 due to certain factors that cannot be mitigated at this stage. In particular the following risks have been identified:

- Change in contracting conditions that are not acceptable for international partners in light of their specific governance arrangements;
- Impossibility to secure adequate staffing because of internal procedures limiting new staff hiring;

- Failure to conclude a partnership between UN partners leading to overly fragmented implementation.

*Grant; direct award to (a consortium of) EU Member States agencies*

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

A direct grant will be awarded to (a consortium of) EU Member States for implementing activities related to Results 1 to 5.

(b) Justification of a direct grant

Article 190(1) (f) of Commission Delegated Regulation (EU) No 1268/2012 authorises that grants be awarded without a call for proposals for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation, on condition that the actions concerned do not fall within the scope of a call for proposals. On this basis and under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to (a consortium of) EU Member States public entities amongst those that are most advanced in establishing policies and institutional frameworks for greener growth.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because the EU Member States public entities specialised in environmental management have a specific and unique knowledge of EU acquis. Thanks to their experience as public bodies entrusted with the implementation and enforcement of the relevant legal framework, these entities can be appropriate to accompany the EaP countries in implementing green growth reforms.

Identification and selection of the entity(ies) having the required qualifications, capacity and experience for implementing the planned activities will be done through a consultation of Member States administrations.

(c) Essential selection and award criteria

The essential selection criteria are the financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 95%.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative trimester to conclude the grant agreement

2<sup>nd</sup> quarter of 2018.



## 5.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realization of this action impossible or exceedingly difficult.

## 5.6 Indicative budget

	<b>EU contribution (in EUR)</b>	<b>Indicative third party contribution (in EUR)</b>	<b>Total action budget</b>
5.3.1 - Indirect management with UNDP	8 000 000	800 000	8 800 000
<b>Totals</b>	<b>8 000 000</b>	<b>800 000</b>	<b>8 800 000</b>

## 5.7 Organisational set-up and responsibilities

The responsibility of the project lies with the European Commission. The steering of the project will be led by Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR).

National implementation roadmaps and a regional work plan will be developed within the first 6 months of implementation. The roadmaps will specify actions to be taken by the partner governments as contribution to implementation.

In order to review progress and provide strategic guidance, an annual steering committee meeting will be organised. The steering committee will be chaired by relevant Commission services. The EU Member States and partner countries will be the key actors in the decision-making process. Partner countries will be represented by both environment and economic ministries that will appoint national focal points. When possible, the steering committee meetings will be held back-to-back with events conducted within the Eastern Partnership framework of cooperation. Reporting on progress will also be provided to relevant EaP Ministerial meetings.

At the operational level, semi-annual meetings will be organised with Action's implementation partners and Commission services, under the chairmanship of DG NEAR.

Technical-level activities will also require appointment of counterparts by the relevant competent authority in the beneficiary partner country.

## 5.8 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the

implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.9 Evaluation**

Having regard to the importance of the action, mid-term and final evaluations will be carried out for this action or its components through a joint mission contracted by the Commission via an implementing partner.

These evaluations will be carried out for assessing projects performance, achievements and impact, and for accountability and learning purposes at various levels (including for policy revision).

The Commission shall inform the implementing partners at least one month in advance of the dates foreseen for the evaluation missions. The implementing partners shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner countries and other key stakeholders where relevant. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner countries where relevant, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the projects.

Where relevant, the provisions of the Financial and Administrative Framework Agreement (FAFA) between the European Union and the United Nations of 29 April 2003 and its addendum No1 of 26 February 2014 shall apply.

The financing of the evaluation shall be covered by another measure constituting a financing decision.

## **5.10 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Where relevant, the provisions of the Financial and Administrative Framework Agreement (FAFA) between the European Union and the United Nations of 29 April 2003 and its addendum No1 of 26 February 2014 shall apply.

The financing of the audit shall be covered by another measure constituting a financing decision.

### **5.11 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations shall be included in the financing agreements or delegation agreements.

With regards to the Neighbourhood East, all EU-supported actions shall be aimed at increasing the awareness level of the target audiences on the connections, the outcome, and the final practical benefits for citizens of EU assistance provided in the framework of this action. Visibility actions should also promote transparency and accountability on the use of funds.

Outreaching/awareness raising activities will play a crucial part in the implementation of the action, in the case of budget support the national government shall ensure that the visibility of the EU contribution is given appropriate media coverage. The implementation of the communication activities shall be the responsibility of the implementing organisations, and shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the Commission (European Neighbourhood Policy and Enlargement Negotiations) will be strictly adhered to.

Where relevant, the provisions of the Financial and Administrative Framework Agreement concluded between the European Union and the selected international organisations shall apply.

It is the responsibility of the implementing organisation to keep the EU Delegations and, where relevant, DG NEAR, fully informed of the planning and implementation of the appropriate milestones specific visibility and communication activities.

The implementing organisation shall report on its visibility and communication actions, as well as the results of the overall action to the relevant monitoring committees.

This action will be communicated externally as part of a wider context of EU support to the country, and where relevant to the Eastern Partnership region in order to enhance the

effectiveness of communication activities and to reduce fragmentation in the area of EU communication.

The implementing organisation shall coordinate all communication activities with EU Delegations as well as regional communication initiatives funded by the European Commission to the extent possible. All communication strategies developed as part of this action shall ensure they are in line with the priorities and objectives of regional communication initiatives supported by the European Commission and in line with the relevant EU Delegation's communication strategy under the "EU4Country" umbrella initiative.

## APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) <sup>10</sup>

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for listing the activities as well as new columns for intermediary targets (milestones) when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	<b>Intervention logic</b>	<b>Indicators</b>	<b>Baselines (incl. reference year)</b>	<b>Targets (incl. reference year)</b>	<b>Sources and means of verification</b>	<b>Assumptions</b>
<b>Overall objective: Impact</b>	Enhanced resilient and low carbon development in the six EU Eastern Partnership countries	Levels of GHG emissions reported to UNFCCC.	Level of GHG emissions at start of the action.	Six Eastern Partnership countries are on track with the implementation of their NDCs.	National Communications to the UNFCCC; National reports on the implementation of the Paris Agreement, National sustainable development strategies/plans/reports	
<b>Specific objective(s): Outcome(s)</b>	<p>an enhanced transparency of emissions and climate action,</p> <p>mainstreaming climate in sectoral policies, such as energy, transport, agriculture, and</p> <p>advanced implementation of climate-related provisions of bilateral agreements with</p>	<p>Finalized nationally determined contributions, national mid-century strategies and NAPs communicated to the UNFCCC</p> <p>Level of coordination at political and technical level for national implementation of the Paris Agreement</p> <p>Countries have established national systems for implementing the Paris</p>	<p>2017: All beneficiary countries have submitted their iNDCs for the COP21. Armenia, Azerbaijan, Belarus, Georgia, Ukraine have ratified the Paris Agreement and have their NDCs. Moldova is</p>	Six Eastern Partnership countries are on track with the implementation of their commitments and reporting obligations under the Paris Climate Agreement.	National Communications to the UNFCCC; National reports on the implementation of the Paris Agreement	Factors outside project management's control that may impact on the outcome-impact linkage, such as continued political, social and economic stability in the region.

<sup>10</sup> Mark indicators aligned with the relevant programming document mark with '\*' and indicators aligned to the EU Results Framework with '\*\*'.

	EU	<p>Agreement Transparency Regime in line with UNFCCC requirements</p> <p>Level of alignment with EU acquis as provided by bilateral agreements with EU</p> <p>New climate finance resources mobilized by countries (including under NIF/NIP), EUR</p>	<p>undergoing process of ratification. Moldova has an updated LEDS and NAP. Institutional arrangements for climate policy development and implementation are varied across countries; most countries require capacity building and institution strengthening support for effective implementation of their Paris commitments. As Annex-I countries, Ukraine and Belarus have basic MRV systems in place. Armenia, Azerbaijan, Georgia and Moldova have no such system in place, but have started establishing them.</p> <p>No beneficiary country has</p>			
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			aligned its legislation with the EU acquis mentioned in the bilateral agreements			
			Armenia is the only country in the region that mobilized GCF resources for a climate change mitigation project.			
<b>Outputs</b>	<p><b>Output 1.</b> Development of mid-century, long-term low greenhouse gas emission development strategies (long-term LEDS)</p> <p><b>Activities:</b></p> <p>1.1. Regional training workshops for six beneficiary countries on the LEDS development process. (Year 1).</p> <p>1.2. National technical roundtables in Armenia, Azerbaijan and Belarus (Year 1)</p> <p>1.3. Development of mid-century, long-term LEDSs in Armenia, Azerbaijan and Belarus (Years 1-2)</p> <p>1.4. Finalized LEDS</p>	<p>New LEDSs submitted to UNFCCC by 2020.</p> <p>Number of national government officials and planning practitioners are trained in the development of LEDS</p> <p>Enhanced guidance on low-emission development planning at the local governance level</p>	<p>0</p> <p>0</p> <p>Guidance on LEDS available for national level planners. No LEDS guidance for the local governance level.</p>	<p>At least 3 LEDS developed (Armenia, Azerbaijan, Belarus)</p> <p>60</p> <p>A guidebook on local level LEDS available in local languages</p>	<p>UNFCCC Registry</p> <p>Training workshop reports.</p> <p>LEDS Guidebook</p>	<p>Factors outside project management's control that may impact on the output-outcome linkage.</p>

	submitted to the government for adoption (Y3) 1.5. Development of a LEDS guide for local governance level (Year 3)					
	<p><b>Output 2.</b> Implementation of nationally determined contributions (NDCs) to the Paris Agreement</p> <p><b>Activities:</b></p> <p>2.1. Two regional training and knowledge exchange workshops on the NDC implementation. Years 1 and 3.</p> <p>2.2. Setting up an “expert-on-demand” facility to support NDC implementation planning in the beneficiary countries and facilitate knowledge transfer from the EU member-states.</p> <p>2.3. Support to NDCs implementation in at least four Eastern Neighbourhood countries (Years 1-3)</p> <p>2.4. Public awareness on NDCs for private sector, academia, NGO community and for other relevant stakeholders. (Y2 to Y4)</p>	<p>NDC implementation plans/roadmaps</p> <p>Level of knowledge and institutional capacities for sectoral implementation of NDCs (measured through capacity scorecard)</p> <p>Level of awareness and buy in of the targeted national private sector and other stakeholders in the NDC implementation</p> <p>Number of training and awareness events directly supported by the project / number of decision makers and practitioners benefiting from capacity building</p>	<p>No NDC implementation plans</p> <p>Baseline to be established during the first year of the project</p> <p>Baseline to be established during the first year of the project</p> <p>0</p>	<p>NDC implementation plans/roadmaps developed for at least 4 beneficiary countries with the direct support of the project.</p> <p>75% increase over baseline</p> <p>50% increase over baseline</p> <p>At least 6 events in each country</p>	<p>National reporting to UNFCCC under the Paris Agreement</p> <p>Institutional capacity assessment reports</p> <p>Workshop reports</p> <p>Targeted private sector questionnaire</p>	<p>Staff turnover at the government agencies involved in the climate policy development and implementation remains limited.</p> <p>Sufficient buy-in from the sectoral ministries (e.g. energy sector)</p> <p>The developed NDCs and implementation plans are adopted and submitted on time.</p>
	<p><b>Output 3.</b> Introduction of robust domestic emissions monitoring, reporting and verification (MRV) frameworks</p>	<p>Robust domestic emissions MRV frameworks developed in the EU EN countries</p>	<p>0 (initial analysis in support of the establishment of MRV systems have been</p>	<p>Robust domestic emissions MRV frameworks developed in 5 beneficiary</p>	<p>National reporting to the UNFCCC</p> <p>Workshop reports</p>	



	<p><b>Activities:</b></p> <p>3.1. A regional workshop/training on MRV systems according to the UNFCCC requirements (Year 1)</p> <p>3.2. A study tour to the EEA in Brussels to learn about MRV system in EU (Year 1/2)</p> <p>3.3. Review/gap analysis of the existing MRV systems (Years 1-2)</p> <p>3.4. Proposals for national MRV systems in line with the UNFCCC transparency requirements (Years 2-3)</p> <p>3.5. Trainings of MRV experts (Year 3)</p> <p>3.6. Training materials for the private sector stakeholders. (Years 2-3)</p>	<p>Guidance/training materials for private sector on incorporation of MRV into corporate reporting.</p> <p>Number of government officers/practitioners trained / Number of training evens on MRV</p>	<p>supported in the beneficiary countries to a various extend)</p> <p>0</p> <p>0</p>	<p>countries.</p> <p>Guidance/training materials for private sector on MRV</p> <p>At least 100 sectoral government officers/practitioners trained</p> <p>5 trainings conducted on MRV for sectoral government agencies e.g. energy, transport, agriculture, forestry.</p>		
	<p><b>Output 4.</b> Alignment with EU acquis included in bilateral agreements (e.g. MRV, ETS, ODS, f-gas)</p> <p><b>Activities:</b></p> <p>4.1. Workshops in each of the countries on respective EU acquis</p> <p>4.2. Analysis of the national legislation and fiscal policies, and elaboration of proposals and plans for legislative alignment</p> <p>4.3. Delivering advice and consultations on policy and</p>	<p>Number of new policy papers and plans produced for legislative alignment that is foreseen in the Association Agreements with Georgia, Moldova and Ukraine and in the draft agreement with Armenia</p> <p>Number of workshops conducted by the project</p> <p>Number of technical consultations on policy alignment through expert-on-demand facility delivered with</p>	<p>0</p> <p>0</p> <p>0</p>	<p>A number of policy papers and plans. (It is too early to define targets at this stage, they will be defined later, at the beginning of implementation).</p>	<p>National policies and legislation</p> <p>Workshop reports</p>	

	regulatory reform/alignment to the beneficiary countries through an “expert-on-demand” facility	positive feedback from beneficiary countries		6 workshops conducted  A number of consultations with positive recorded feedback. (Too early to define, will be defined later, at the beginning of implementation).		
	<p><b>Output 5.</b> Mainstreaming climate in policy sectors</p> <p><b>Activities</b></p> <p>5.1. Inception/training workshop on CC mainstreaming into sectoral policies (Year 1)</p> <p>5.2. Each country is supported to develop mainstreaming recommendations for 2 priority sectors: detailed sectoral policy review, analysis of climate risks and GHG emission reduction potential, cost benefit analysis, mainstreaming recommendations, regulatory/institutional /coordination framework, monitoring framework, and financial resources/planning (Years 1-3).</p> <p>5.3. Sector-based learning and knowledge exchange workshops (Year 2, Year 3, Year 4)</p>	<p>Number of sectoral climate change mainstreaming policy papers/ recommendations developed</p> <p>Level of institutional capacities for CC mainstreaming (institutional capacity scorecard/baseline, mid-term and completion surveys)</p>	0	<p>At least 10 sectoral climate change mainstreaming policy papers/ recommendations developed</p> <p>50% improvement against baseline</p>	<p>Sectoral policy documents and strategies</p> <p>Workshop reports</p> <p>Institutional capacity assessment reports</p>	

	<b>Output 6.</b> Adaptation planning  <b>Activities:</b> 6.1. Support to the national adaptation planning in Belarus (Year 1-4) 6.2. Support to the national adaptation planning in Ukraine (Year 1-4) 6.3. Cross country knowledge exchange on NAP development and implementation. 6.4. Developing guidance on adaptation planning at local level (year 3/4)	Number of regional knowledge transfer events on NAPs  Transboundary NAPs (TBC)  NAP roadmaps, institutional and coordination frameworks and NAP processes in Belarus and Ukraine.	0  0  0	6 workshops  At least 1 transboundary NAP (TBC)  NAP roadmaps, institutional and coordination frameworks and NAP processes established in Belarus and Ukraine.	NAP documents  Workshop reports	

**[APPENDIX - INDICATIVE LIST OF RESULT INDICATORS (FOR BUDGET SUPPORT)<sup>11</sup>]**

The inputs, the expected direct and induced outputs and all the indicators, targets and baselines included in the list of result indicators are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The table with the indicative list of result indicators will evolve during the lifetime of the action: new columns will be added for intermediary targets (milestones), when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	<b>Intervention logic</b>	<b>Indicators</b>	<b>Baselines (incl. reference year)</b>	<b>Targets (incl. reference year)</b>	<b>Sources and means of verification</b>
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<sup>11</sup> Mark indicators aligned with the relevant programming document mark with '\*' and indicators aligned to the EU Results Framework with '\*\*'.

<b>Overall objective: Impact</b>	The broader, long-term change which will stem from the partners' government policy, which the EU funded action will support: generally consists in poverty eradication, promotion of inclusive and sustainable growth, consolidation of the democratic and economic governance	Measures the long-term change at country or sector level. For example, reduction in income and non-income poverty; empowerment and social inclusion of poor people and disadvantaged groups etc.	Ideally, to be drawn from the partner's strategy	Ideally, to be drawn from the partner's strategy	The source of information is usually the Performance Assessment Framework (PAF) of the partner country.
<b>Specific objective(s): Outcome(s)</b>	The positive responses by beneficiaries-services users and economic actors – to the partners' government policy management and service delivery. The EU funded action will contribute to these changes.	Measures the change in factors determining the outcome. For example, increased use of goods and services provided by the public sector, improved competitiveness of the economy.	The starting point or current value of the indicator.	The intended value of the indicator	Idem as above for the corresponding indicator.
<b>Induced outputs</b>	The improved partner's public policies, public sector spending and public sector delivery. The EU funded action will contribute to these changes.	Measures the degree of delivery of the outputs. For example, increased quantity and quality of goods and services provided by the public sector, improved Public Finance Management and procurement systems.	Idem as above for the corresponding indicator.	Idem as above for the corresponding indicator.	Idem as above for the corresponding indicator.
<b>Direct outputs</b>	Improvement in the relationship between external assistance and the national budget and policy processes. This level of results will be the most directly influenced by the EU funded action.	Measures the change in factors determining the induced outputs. For example, increased size and share of external assistance funds made available through national budget, capacity development support better coordinated.	Idem as above for the corresponding indicator.	Idem as above for the corresponding indicator.	Idem as above for the corresponding indicator.