



## **INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020**

### **MULTI-COUNTRY**

#### **EU Support for Climate Action in IPA II beneficiaries – Transition towards the low emissions and climate- resilient economy**

##### **Action summary**

The action is to continue support to the implementation of the 2015 Paris Agreement on Climate Change in the Western Balkans and Turkey and help their transition towards the low emissions and climate-resilient economy. Almost all IPA II beneficiaries have ratified the Agreement and are planning for the implementation of their contributions to it.

Subsequently, the action will support the Beneficiaries' efforts, which have already started through a previous bridging IPA II Multi-country Programme 2016 action – Technical assistance towards implementation of the new Paris Climate Agreement and continuing climate actions carried out through the multi-annual Environment and Climate Regional Accession Network (ECRAN) project (2013-2016).

The technical assistance will be of paramount importance in supporting climate policy and legislative development across sectors, especially the work on the integrated climate and energy action plans as well as an increased climate mainstreaming that will allow IPA II beneficiaries to fulfil their international and the EU *acquis* requirements.

<b>Action Identification</b>			
<b>Action Programme Title</b>	IPA II Annual Multi-country Action Programme 2019		
<b>Action Title</b>	EU Support for Climate Action in the Western Balkans and Turkey – Transition towards the low emissions and climate-resilient economy		
<b>Action ID</b>	IPA 2019/NEAR>CLIMA.02/MC/CLIMATE		
<b>Sector Information</b>			
<b>IPA II Sector</b>	9. Regional and territorial cooperation		
<b>DAC Sector</b>	43010 - multi-sector aid		
<b>Budget</b>			
<b>Total cost</b>	EUR 2 million		
<b>EU contribution</b>	EUR 2 million		
<b>Budget line(s)</b>	22.020401 - Multi-country programmes, regional integration and territorial cooperation		
<b>Management and Implementation</b>			
<b>Management mode</b>	Direct management		
<b>European Commission</b>	Directorate-General for Climate Action, Unit A1 (co-delegated by Directorate-General for Neighbourhood and Enlargement Negotiations)		
<b>Implementation responsibilities</b>	Directorate-General for Climate Action, Unit A1		
<b>Location</b>			
<b>Zone benefiting from the action</b>	Western Balkans (Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, Serbia) and Turkey		
<b>Specific implementation area(s)</b>	N/A		
<b>Timeline</b>			
<b>Final date for contracting including the conclusion of delegation agreements</b>	At the latest by 31 December 2020		
<b>Final date for operational implementation</b>	At the latest by 31 December 2026		
<b>Policy objectives / Markers (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 type="checkbox"/>	<input checked="" 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"/>

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Biological diversity	<input checked="" type="checkbox"/>	<input 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"/>

## 1. RATIONALE

### 1.1 PROBLEM AND STAKEHOLDER ANALYSIS

#### Paris Agreement

The adoption of historic Paris Agreement on Climate Change on 12 December 2015 at the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change held in Paris set the wheels in motion for implementation of this action. This has been reinforced by its early entry into force on 4 November 2016, less than a year after the adoption displaying a global commitment to urgent climate action.

The European Union has played a key role in brokering a historic agreement in Paris, where 195 countries adopted the first-ever universal, legally binding global climate deal. The ambitious and balanced agreement, the first major multilateral deal of the 21 century, sets out a global action plan to put the world on track to avoid dangerous climate change by limiting global warming to well below 2°C. The Paris Agreement (PA) sends a clear signal to investors, businesses, and policy-makers that the global transition to clean energy is here to stay and resources have to shift away from polluting fossil fuels. To achieve this common ambition, governments agreed to come together every five years to set more ambitious targets as required by science. They also accepted to report to each other and the public on how well they are doing to implement their targets, to ensure transparency and oversight. A global stocktake will take place every five years. A robust transparency and accountability system will track progress towards the long-term goal.

At the UNFCCC Conference of Parties (COP 24, Katowice) a robust and comprehensive PA Rulebook was adopted, making the Agreement operational. The Rulebook includes the first-ever universal transparency and accountability system applicable to all with in-built flexibilities to those who genuinely need it. This will inspire all Parties to improve their practices over time and to show the world that progress is made in clear and comparable terms. Also, a report on the differentiated impacts of climate change and gender-responsive climate policy and action, as well as policies, plans and progress in enhancing gender balance in national delegations workshop was presented. The report contained, among others, updates on how the constituted bodies are addressing gender equality in their operations.

#### Beneficiaries

Five out of the six IPA II beneficiaries<sup>1</sup> have ratified the Agreement. In such circumstances, providing support for the implementation of the 2015 Paris Agreement in the Western Balkans and Turkey is a key factor in IPA II beneficiaries' transition towards a resource efficient, low-emissions and climate-resilient economy that they all subscribed to.

Since 2014, the Beneficiaries have mobilised significant resources and a wide spectrum of stakeholders to develop and adopt their Intended Nationally Determined Contributions (INDCs) to the 2015 Paris Agreement. As the INDCs are profound politically binding commitments, they will mean significant economic and other reforms in all IPA II beneficiaries are required, and this with the 2030 perspective. Coherence of these commitments with energy, transport, agriculture, environment and other policies is a key in the years to come. For Beneficiaries to implement their climate commitments, robust climate policies and strategies will need to be in place together with domestic systems for greenhouse gases monitoring and reporting as well as the new integrated climate and energy governance.

The support provided through this action will not only allow Beneficiaries to develop concrete climate policies fully aligned with the EU climate *acquis*, but will enable harmonisation of the greenhouse gas (GHG) emission reduction targets consistent with the EU 2030 Framework for Climate and Energy Policies and the outcomes of the Paris Agreement, including the new Rulebook.

Furthermore, "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans" of 6 February 2018 prioritises to expand the Energy Union to the Western Balkans. Also in line with the Energy Union objectives, it will assist with the energy transition through the increase of renewable

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<sup>1</sup> Albania, Bosnia-Herzegovina, Montenegro, North Macedonia, Serbia, and Turkey are all parties to the UNFCCC, and have all but Turkey ratified the Paris Agreement. Kosovo although not a party to the Convention has prepared a Low Emissions Development Strategy and a Strategy for Adaptation to climate change, still not yet adopted.

energy sources, by increasing energy efficiency, reducing energy dependency of the region and accelerate the fundamental modernisation of the regional economy.

The Western Balkan also have an obligation under the Energy Community to prepare their integrated National Energy and Climate Plans (NECPs) and establish targets, which are consistent with the EU 2030 targets for decarbonisation, renewables and energy efficiency.

The Beneficiaries will also have to ensure that climate consideration are well integrated into other policy areas and that they have sufficient administrative, institutional and financial capacity to carry out required reforms in relevant sectors. Although there is a challenge of large-scale decarbonisation of the economy in the coming decades, this will also bring opportunities for economic growth and green jobs and contribute to environmental and health benefits.

### EU action

The European Union has committed to reduce greenhouse gas emissions by at least 80% by 2050<sup>2</sup> compared to 1990 and be near zero or below by 2100. In order to reach this goal two intermediate milestones were set for 2020 and 2030 respectively. In October 2014, EU Heads of State or Government set a binding economy-wide domestic emissions reduction target of at least 40% by 2030, compared to 1990.

Legal implementation packages were adopted for 2020 and are currently being implemented. The new package of measures to accelerate the shift to low-carbon emissions in all sectors of the economy in Europe has almost entirely been adopted including the revised EU ETS Directive, Effort Sharing Regulation, Regulation on Land Use, Land Use Change and Forestry, Renewables and Energy Efficiency Directives, Electricity Market Design Directive and the EU Energy Union Governance Regulation. Currently in process of adoption are further proposals on transport (heavy-duty vehicles MRV, CO2 standards for cars and vans). These are all part of the EU's strategy for a resilient Energy Union with a forward-looking climate policy.

Additionally, more proposals are being prepared on sustainable finance, adaptation strategy, post-2020 multiannual financial framework, Common Agriculture Policy that will assist in transition to low carbon economy and society.

On 28 November 2018, the Commission presented its strategic long-term vision for a prosperous, modern, competitive and climate-neutral economy by 2050. The strategy shows how Europe can lead the way to climate neutrality by investing into realistic technological solutions, empowering citizens, and aligning action in key areas such as industrial policy, finance, or research – while ensuring social fairness for a just transition.

Following the invitations by the European Parliament and the European Council, the Commission's vision for a climate-neutral future covers nearly all EU policies and is in line with the Paris Agreement objective to keep the global temperature increase to well below 2°C and pursue efforts to keep it to 1.5°C.

### Complementary activities

Additionally, the Energy Community, in close cooperation with the Commission's services, has adopted at 2016 Ministerial meeting a recommendation to incorporate core elements of the Monitoring Mechanism Regulation (MMR) in the Energy Community's *acquis*, taking into account both the climate and energy dimensions of the Energy Union framework. The decision will support the Contracting Parties in their international GHG reporting obligations and implementation of INDCs under the Paris Climate Agreement.

In order to proceed with more substantial efforts in the Energy Community to cut down greenhouse emissions as also committed by all Contracting Parties under the Paris Agreement, emission inventories are of key importance. The inclusion of the MMR in the Energy Community *acquis* would, firstly, assist Contracting Parties to establish their respective domestic systems for the monitoring, reporting and verification of greenhouse gas emissions. Through that, it would deliver substantial benefits and would pave the way for future action for developing robust climate and energy policies and would assist in implementing their INDCs. Simultaneously, it would facilitate meeting the requirements of Chapter 27 in the negotiations towards the European path.

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<sup>2</sup> 2050 Low Carbon Development Map

The 2018 Ministerial Council of the Energy Community (EnC) adopted the Recommendation on preparing for the development of integrated energy and climate plans by the Contracting Parties of the Energy Community.

The Recommendation guides preparation of the analytical, institutional and regulatory preconditions for the development of integrated energy and climate plans. Those plans represent a first important step towards the integration of planning, reporting and monitoring obligations in the energy and climate field and towards the implementation of the Paris Agreement, including the harmonious integration of the monitoring, reporting and verification requirements under UNFCCC.

The EnC Secretariat has also drafted a Guidance document, which provides further clarifications on the precise scope of the plans, the content to be provided for each of the five dimensions, the requirements for data, analysis and policy scenarios underpinning the plans, the regional cooperation aspects and the indicative timeline for developing the plans.

The action has been designed to continue activities as described in the bridging action from the IPA II Multi-country Programme 2016 (IPA II McP 2016) *Technical assistance towards implementation of the new Paris Climate Agreement* – Regional Implementation of Paris Agreement Project (RIPAP) and also as logical continuation of activities implemented under the Climate Component of the Environment and Climate Regional Accession Network (ECRAN) programme (2013-2016). This action will be a regional multi-annual action, to be implemented from 2019 to 20221. It will provide support to implementation of climate activities in line with the Beneficiaries' commitments or Nationally Determined Contributions (NDCs<sup>3</sup>) and the provisions under the 2015 Paris Climate Agreement, including the PA Rulebook. This will be done through a series of activities covering mitigation and adaptation actions that will enable keeping the momentum created under the previous projects.

The action should simultaneously address both the high-level policy dialogues, awareness-raising and work on technical level to primarily support alignment with the EU Governance, the EU Emissions Trading System (ETS) Directive and adaptation to climate change. The main direct beneficiaries will be ministries in charge of environment and climate policy issues, as well as other ministries in so far as their work is relevant for the scope of the action (such as in the fields of energy, transport, economy, agriculture, etc.), environment agencies and other relevant central, regional and local public authorities working on climate, environment and energy issues in the Beneficiaries.

It will be crucial to maintain Beneficiaries' commitment also on the ministerial level and enable involvement of all relevant stakeholders, given the challenges in implementation of the Paris Agreement and its provisions.

The action may be supplemented by the Technical Assistance and Information Exchange Instrument (TAIEX) whenever necessary and applicable, by making available the Member States experts and providing for logistical set up. The close involvement of TAIEX in the ECRAN programme and RIPAP proved to be very successful and instrumental in helping achieve the results of the programme. It allowed for the involvement of a large pool of technical experts from Member States administrations, as well as the possibility to implement and maintain a high number of events and missions. Complex implementing structures, such as the one set up within the ECRAN should be avoided in future but activities might be supplemented by TAIEX in order to multiply the outcomes and reach bigger audiences.

## **OUTLINE OF IPA II ASSISTANCE**

The regional cooperation already established under RENA and strengthened and consolidated by ECRAN and RIPAP has been promoting win-win solutions and seizing synergies at the regional level. In the beginning this has focused on alignment with EU *acquis*, but now that Beneficiaries are implementing their bilateral IPA climate projects, focus has been shifting towards regional exchange of information, best practices, experience and awareness-raising between and among the IPA II beneficiaries. The Beneficiaries also have the possibility to learn from the experience of the EU Member States and to prepare themselves better for the process towards the European path.

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<sup>3</sup> INDC automatically become NDC once the Agreement has been ratified.

The action is to continue support to the implementation of the 2015 Paris Agreement in the Western Balkans and Turkey towards a resource-efficient, low-emissions and climate-resilient economy. As this has already started through a bridging action with a limited scope of activities (IPA II McP 2016 *Technical assistance towards implementation of the new Paris Climate Agreement - RIPAP*) a coherence of actions will have to be ensured, also taking into account the outcomes of previous projects. Furthermore, duplication of efforts between this action and particularly bilateral IPA projects would need to be avoided carefully.

Kosovo, although not a party to the United Nations Framework Convention on Climate Change (UNFCCC), has prepared a Low Emission Development Strategy and a Strategy for Adaptation to Climate Change and is currently drafting the Action Plans for their implementation. This action should support also their efforts in transformation towards a resource efficient, low emissions and climate-resilient economy.

## RELEVANCE WITH THE IPA II MULTI-COUNTRY STRATEGY PAPER AND OTHER KEY REFERENCES

The **Multi-country Indicative Strategy Paper 2014-2020**<sup>4</sup> (hereinafter referred to as the Strategy Paper) establishes environment and climate action as one of the priorities under the regional structures and networks axe, which should assist the Beneficiaries in providing *"an interface between the regional aspects of environmental protection and climate action and the respective national priorities, helping the Beneficiaries to exchange information and experience related to the preparation for accession and to assist their progress in the transposition and implementation of EU environmental and climate acquis."*

Additionally, the Strategy Paper highlights the need to invest in the area of environment and climate action in order to promote protection of the environment, quality of life particularly in the areas of water, waste management and air pollution, climate change adaptation and mitigation including disaster risk reduction, and the development towards a resource-efficient, low-carbon and climate-resilient economy.

The action will be directly contributing to the achievement of the following two (out of four) objectives perused by the financial assistance under IPA II:

- strengthening the ability of the Beneficiaries to fulfil the (future) obligations stemming from EU membership by supporting progressive alignment with the Union *acquis*,
- strengthening regional integration and territorial cooperation.

Furthermore, the climate policy contributes to the growth, jobs creation and regional development; the action will also indirectly contribute to another IPA II objective:

- support for economic, social and territorial development,

**Regional investment** support should be directed towards projects having a clear regional dimension which contribute to the socio-economic development of more than one IPA II beneficiary and address in particular investment needs related to the development of the competitiveness of businesses, the connectivity between the IPA II beneficiaries and the EU Member States, protection of the environment and mitigation of and adaptation to climate change.

The action will be implemented in line with the priorities identified in the Strategy paper but also in line with the relevant EU policies, such as the **EU 2030 framework for climate and energy policies** and **Energy Union Strategy**, which encourages Member States to develop their own climate policy and legislative frameworks and set emission reduction targets to enable implementation of intended nationally determined contributions to the 2015 Paris Agreement.

Furthermore, "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans" of 6 February 2018 prioritises to expand the Energy Union to the Western Balkans. Two among its Six flagship initiatives on socio-economic development and transport and energy connectivity will be good vehicles to enable it, And in line with the Energy Union objectives, it will assist with the energy transition through the increase of renewable energy sources, by increasing energy efficiency, reducing energy dependency of the region and accelerate the fundamental modernisation of the regional economy.

This is further supported by the **2015 Enlargement Strategy**, which confirm the need to support for significant reforms consistent with the EU 2030 framework for climate and energy policies and to the

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<sup>4</sup> C(2014) 4293, 30.06.2014.

implementation of Beneficiaries INDCs to the 2015 Paris Climate Agreement. The **2016 Enlargement Communication** stresses in particular the regional cooperation and the connectivity agenda<sup>5</sup> and an increased use of renewables and energy efficiency. The 2018 IPA II beneficiaries' reports emphasise the need to implement the Paris Agreement, setting up proper institutional, administrative and financial mechanisms in place.

## **LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE**

Regional co-operation in the environment and climate area has been supported by the European Commission for more than a decade, starting in 2005 with the Regional Environmental Reconstruction Program for South-East Europe (REReP), continuing with the Regional Environmental Network for Accession (RENA) covering the period 2010 -2013, the ECRAN programme as from October 2013 until October 2016 and the Regional Implementation of Paris Agreement Project – RIPAP (August 2017-November 2018).

The IPA II McP 2016 *Technical assistance towards implementation of the new Paris Agreement* was designed as a bridging action between the ECRAN and the IPA II McP 2017 multi-annual regional action. The idea was to provide support towards the implementation of the 2015 Paris Agreement with a limited scope of activities until the new multi-annual action is in place and also, to keep the momentum created by ECRAN.

RIPAP provided support to build capacity of the beneficiaries for the implementation of Paris Agreement and also, continued to enable regional cooperation through the exchange of information, best practices, experiences and awareness-raising activities. This was done through 7 technical workshops, 3 webinars and 1 study visit, which have included 346 participants. The technical workshops focused on domestic greenhouse gas (GHG) inventory systems, modelling systems and tools for preparing GHG emission projections, EU Emissions Trading System, data needs for modelling of energy system projections and priority GHG emission and removal categories.

The project has also organised three high-level meetings; Regional Conference on the Implementation of Paris Agreement (Podgorica, Feb. 2018), EU-Serbia Talanoa Conference (Belgrade, May 2018) and Regional Talanoa Dialogue together with the Energy Community Secretariat (Vienna, Oct. 2018) with 164 participants. In terms of visibility, the project has managed a knowledge portal, established a webpage ([www.ripap.eu](http://www.ripap.eu)) and produced 4 ETS newsletters.

In the past, the ECRAN programme (2013-2016) has successfully strengthened regional cooperation between the EU, and the candidate countries and potential candidates on climate action and has assisted their progress in the transposition and implementation of EU climate *acquis*. ECRAN provided support to further align their legislation with key elements of EU climate *acquis*, as well as in supporting capacity building, particularly in the framework of the international climate agenda, inter alia in promoting and providing technical support for the development of the INDCs. Alignment with EU climate policies and legislation was in particular promoted through the cooperation with the EU Member States in line with the best implementation modalities and practices.

So far, activities under ECRAN Climate Component focused not only on developing climate policies and legislation to align with EU climate *acquis*, but also on actual implementation modalities. The work was carried out in the four Working Groups as follows:

**1) Climate Policy Development** - In this Working Group (WG), activities have been implemented that target the development of concrete climate policies, setting GHG emission reduction targets in the context of the EU 2030 framework for climate and energy policies and the need to feed into the 2015 international climate agreement. As such ECRAN has provided concrete technical assistance for the development of INDCs. The initiative has succeeded to promote all ECRAN beneficiaries<sup>6</sup> tabled their INDCs in time to the UNFCCC Secretariat. This was done through high level dialogues between the

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<sup>5</sup> This was unambiguously recognised by the **Western Balkans 6 Sustainable Charter** at their June Summit, setting out an enhanced agenda of energy efficiency improvements and larger use of renewable energy in region. This should "improve prosperity, health and jobs, cleaner environment and transition towards the low-carbon and climate-resilient development", as well as "help the countries meet their commitments made at the December COP 21 Summit".

<sup>6</sup> All ECRAN beneficiaries that are also parties to the UN Framework Convention on Climate Change: Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Turkey.

Beneficiaries and the European Commission and the fielding of a mix of international and local expert teams to assist with the actual drafting of the INDCs for and together with some of the Beneficiaries. Technical capacity for emissions modelling through use of Long Range Energy Alternatives Planning (LEAP) Platform was also increased.

2) **EU MMR** – In the second WG, special attention has particularly been paid to the development of domestic GHG inventory systems and reporting in line with the UNFCCC requirements and the EU Monitoring Mechanism Regulation. Practical and technical training has been provided in preparing the Beneficiaries' GHG inventories, while the focus in 2016 will be aimed at supporting the set-up of the domestic systems that will allow the reporting on GHG inventories on a continuous basis.

Inventory compilers and sectoral experts joined the ECRAN online tool for National Systems [https://aetherltd.sharepoint.com/sites/ECRAN-WG2/\\_layouts/15/start.aspx/#/](https://aetherltd.sharepoint.com/sites/ECRAN-WG2/_layouts/15/start.aspx#/) and it is actively used by all compilers of the ECRAN beneficiaries. This tool allows access to technical guidance and support, but also peer review on the system development in each beneficiary. Access to this on-line-tool is restricted to the GHG inventory practitioners from the ECRAN beneficiaries.

3) **EU ETS** – Within its third WG, ECRAN has also been providing assistance on the development of roadmaps and practical training on the EU ETS, as one of the main tools of the EU to achieve concrete GHG emission reductions in the context of the EU 2030 framework for climate and energy policies. The main focus so far has been on the setup and training on monitoring, reporting and verification requirements of the ETS with public administration, industry and businesses as target groups.

4) **Adaptation** – ECRAN has been providing capacity building on the use of existing adaptation-related tools and on the risk and vulnerability assessments in the three selected sectors: Water Management, Urban Planning and Development and Energy Planning.

In the above context, the key results of the ECRAN and the IPA II McP 2016 action activities will enable Beneficiaries to advance considerably in their approximation to EU climate *acquis* and to prepare their economies and societies for the threats and opportunities that climate change brings. In order to ensure complementarity of actions, the ECRAN results as well as actions carried out under RIPAP have now been taken into consideration, while drafting the IPA II McP 2019 Action Document.

ECRAN has brought the environment and climate change more strongly on the agenda of the IPA II beneficiaries decision makers and has been promoting stronger working relations and cooperation between relevant stakeholders, including the strengthened networks of experts.

One of the positive outcomes of the ECRAN programme activities and the climate diplomacy action plan, as implemented by DG CLIMA and EEAS in 2015-2016, is an increased visibility of climate change issues, which contributed to strengthened administrative capacity, greater climate change awareness and improved inter-institutional coordination. ECRAN supported it through the regional cooperation, exchange of information and good practices and providing technical and policy expertise. These efforts culminated in Beneficiaries submitting their INDCs to the UNFCCC Secretariat in 2015 and continued also in 2016 on the outcome of the Paris Agreement, providing for the first time for a coherent climate and energy narrative.

IPA II beneficiaries have in numerous occasions expressed their commitment to ECRAN and RIPAP. Given the high number of trainings and workshops provided in the region and given the limited administrative capacity of the Beneficiaries, RIPAP has been organising more hand-on assistance, study trips to Member States and more homework for participants, as well as promoting beneficiary-driven requests for assistance, providing for very active beneficiary involvement. These all seem as a good way forward.

As we are talking about transformation of the entire society towards the low emissions and climate resilient development, this will have to be reflected in all domestic policies and measures. As in the case of the EU – ambitious climate policy will require action in all sectors of economy.

### **Recommendations – key issues to consider in the follow up programme(s)<sup>7</sup>:**

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<sup>7</sup> From the Joint Statement by the Delegated Representatives of the Republic of Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, the Republic of Serbia and Turkey on combating climate change in the EU candidates and potential candidates adopted at the high-level ECRAN post Paris Agreement meeting on 3 June 2016, Zagreb, Croatia.

- The ECRAN already showed, and RIPAP confirmed that in promoting the alignment with EU climate legislation, there needs to be a focus on implementation.
- Continue to promote alignment with EU climate policies and legislation through the cooperation with the EU Member States and be in line with the best implementation modalities and practices. The Beneficiaries will thus be stimulated to develop implementing mechanisms for climate legislation, including peer review structures set up in cooperation with EU Member States.
- The follow up programme should also assist in promoting the set-up of the necessary structures that are the pre-requisite for implementing the key climate legislation, particularly the MMR, EU ETS and the EU Governance..
- A continuous exchange of information and identification of synergies with other ongoing regional initiatives in the field of climate action and energy ((**Energy Community, IRENA & IAEA capacity building activities in modelling and medium/long term energy planning, EU projects in the field of statistics, other climate and energy projects funded by EU and bilateral donors**) should be promoted, while the cooperation with civil society organisations should be continued and further supported.
- Special focus should be given to capacity building for the implementation, including on gender equality issues, of the Paris Climate Agreement and Beneficiaries' obligations under it, including the implementation of their NDCs. In this regard, special awareness raising should be done on the magnitude of task of decarbonisation
- The follow up should continue with high-level awareness raising, both regional and IPA II beneficiary level, but also reintroduce large-scale events at targeted IPA II beneficiary level for all the relevant stakeholders (such as organised previously under RENA and ECRAN)
- Regional cooperation, especially on climate and energy issues should be strengthened
- Capacity building activities on essential climate acquis (ETS, MRV, EU Governance) to facilitate implementation and help formulate the climate regulatory framework should be continued
- Regional trainings should focus on topics that can be implemented short term (mix of interactive trainings, study tours and expert missions) Due to differences between the targeted IPA II beneficiaries tailor-made approach should work best (rise in demand-driven activities)

In addition, a general lesson learned is that EU assistance has sometimes contributed to building capacities in one particular sector and to create sectoral isolated 'islands of excellence', which are rarely sustainable in the overall administrative environment. This has notably been criticised by the Court of Auditors (e.g. draft Meta Audit on IPA I assistance).

Despite substantial EU assistance on *acquis* alignment, the Beneficiaries continue to suffer from poor implementation and enforcement record of laws and policies. This is to a large extent due to the fact that support (including by the European Commission services) focuses on technical alignment (content) but does not pay sufficient attention to the poor quality of the law-and policy-making processes, which largely define whether new laws and policies can be implemented and enforced. The common problems are weak or non-existing (regulatory/fiscal) impact assessments of proposed laws and policies, poor inter-ministerial coordination and external (public) stakeholder consultations.

This AD will be able to address this issue through a compliance checks of selected legislative acts, which has already been implemented through the RIPAP (compliance check/extensive consultation of the draft Climate action law prepared by Montenegro in 2018).

## 2. INTERVENTION LOGIC

### LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
<p>To contribute to climate change mitigation and adaptation action and the development towards a resource-efficient, low-emissions and climate-resilient economy</p>	<p>GHG emissions and CO2 equivalent/year GDP emissions per capita Energy balance Energy intensity of industry Share of renewables in energy mix Documents on ratification/implementation of the Paris Agreement Climate and Energy strategies, consistent with the EU 2030 Framework for Climate and Energy policies</p>	<p>European Commission Enlargement Package UNFCCC National Communications and Biennial Reports International Energy Agency GHG inventory reports Statistics Institutes OECD Statistics WB Statistics, Official Gazette</p>	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>To support the IPA II beneficiaries to build their capacity for the implementation of the 2015 Paris Climate Agreement and for the development of low emissions and climate resilient economies</p> <p>To enhance the regional exchange of information, best practices, peer-to-peer reviews, experience and awareness-raising between the IPA II beneficiaries and between IPA II beneficiaries and the Member States towards the implementation of Beneficiaries' commitments under the Paris Climate Agreement.</p>	<p>Number of legislative and policy proposals for implementation of the 2015 Paris Climate Agreement drafted/implemented</p> <p>Number of gender sensitive legislative and policy proposals for implementation of the 2015 Paris Climate Agreement drafted/implemented</p> <p>Number of formal and informal regional cooperation networks/platforms established/maintained between the IPA II beneficiaries, and between the IPA II beneficiaries and Member States to exchange information and best practices to help Beneficiaries to better implement their policies and legislation</p>	<p>UNFCCC web portal European Commission Enlargement Package Official Gazette</p>	<p>Paris Climate Agreement is ratified.</p> <p>Political commitment from Beneficiaries</p> <p>Sufficient administrative capacity of the Beneficiaries</p> <p>Local ownership of action outputs</p> <p>Continued government commitment towards the climate and energy reforms</p> <p>Continued government commitment towards the European perspective</p>
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS

<p><b>Result 1:</b> Regional awareness on the outcomes and provisions of Paris Agreement and the legislative packages under the 2030 Climate and Energy Framework and Energy Union Strategy increased. Development and implementation, also of regional policies and strategies to align with low emissions pathways supported.</p> <p><b>Result 2:</b> Upgrades of domestic GHG monitoring and reporting practices supported by the Regional GHG inventory web portal maintained.</p> <p><b>Result 3:</b> Strengthening the monitoring, reporting, accreditation and verification (MRAV) requirements targeted at: - operators, - authorities and - verifiers under the EU ETS.</p>	<p>Number of workshops and/or high-level dialogues held between the IPA II beneficiary and the EU</p> <p>Number of civil servants, sex disaggregated, aware of the provisions after having attended the workshops/high-level dialogues held with the support of this action.</p> <p>Number of governmental institutions involved in areas of climate action, energy, climate resilience.</p> <p>Number of policy/legislative proposals adopted.</p> <p>Number of gender sensitive policy/legislative proposals adopted.</p> <p>Development of regional energy markets</p> <p>Greenhouse gas (GHG) Inventory Reports prepared</p> <p>GHG Inventory Reports for UNFCCC prepared.</p> <p>National Communications, Biennial Reports for UNFCCC prepared.</p> <p>Inventory reports developed</p> <p>% civil servants (sex disaggregated) able to assess/approve Management Plans as a result of this action.</p> <p>Number of staff (sex disaggregated) of industrial installations relevant for emission reductions able to prepare Management Plans</p> <p>Number of staff (sex disaggregated) of verifier companies able to verify</p>	<p>European Commission Progress Reports EU Delegations press releases. Official Gazette</p> <p>International Energy Agency European Environment Agency UNFCCC</p> <p>Management Plans of ET-like installations operators. Project Reports. EU Delegations press releases.</p>	<p>Political commitment from Beneficiaries Sufficient administrative capacity in the Beneficiaries Concrete steps are taken towards preparing Strategies and legislation.</p> <p>GHG Inventory Reports improved to ensure that commitments under the 2015 Paris Climate Agreement can be monitored and reported on.</p> <p>Guidelines on monitoring and reporting and accreditation and verification are drafted and used towards implementation of the EU ETS, as a key policy in emissions reduction.</p>
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<p><b>Result 4:</b> Regional and domestic adaptation actions strengthened through a shift from knowledge transfer to implementing action through on-hands training and close cooperation with EEA Cooperation with European Environment Agency (EEA) continued and intensified. Regional cooperation with Mayors Adapt promoted.</p> <p><b>Result 5:</b> Compliance checks of selected legislative acts performed.</p>	<p>Management Plans. Number of verifier companies involved in trained/ Number of staff trained (sex disaggregated) on verifying Management Plans. Number of guidelines for operators/authorities/verifiers on monitoring and reporting and accreditation and verification drafted and adopted.</p> <p>Number of workshops held. Number of civil servants (sex disaggregated) trained on adaptation practices, vulnerability assessment for different sectors and similar Number of adaptation strategies drafted/adopted.</p> <p>Number of selected legislative acts revised. Number of selected legislative acts forwarded into parliamentary procedure.</p>	<p>Project Reports. EEA website/Adapt-tool. Mayors adapt website.</p> <p>Official Gazette, web site of ministries, EUDs.</p>	
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## DESCRIPTION OF ACTIVITIES

The activities under this action would need to be coordinated with the outcomes of the IPA II Multi-country Programme 2016 action *Technical assistance towards implementation of the new Paris Climate Agreement - RIPAP*, to ensure consistency of action.

Specific support tasks will be put in place to generate outputs within the framework of EU intervention, and they will be accomplished by the EU intervention and generated by EU partner country players directly in touch with the EU intervention, which will contribute to them.

The IPA II beneficiaries have repeatedly supported the regional cooperation in this sector. The exchange of experience and best practices has proven extremely useful, particularly in relation to development of Monitoring Mechanism Regulation (MMR) systems, domestic GHG inventories, and emissions trading system (ETS) related issues. Additionally, knowledge and expertise of the Member States experts can be used more cost-efficiently in a regional set-up.

The specific objective of the action is:

- the regional exchange of information, best practices, peer-to-peer reviews, experience and awareness-raising between the IPA II beneficiaries and between IPA II beneficiaries and the Member States towards the implementation of Beneficiaries' commitments under the Paris Climate Agreement.
- Support the Beneficiaries to build their capacity for the implementation of the 2015 Paris Agreement and for the development of low emissions and climate resilient economies. Almost all the IPA II beneficiaries have ratified the Agreement. The Beneficiaries from the Western Balkans are usually supportive of the EU positions in the UNFCCC negotiations, displaying alignment on the political level. This, however, needs to be translated into robust policies, which will enable implementation of ambitious climate and energy reforms ultimately leading towards the competitive, circular and low-carbon economy. This action will continue to focus on actions to support climate policy and new legislative developments, MMR and the EU Governance, EU ETS and the adaptation to climate change.
- To enhance exchange of information, best practices, peer-to-peer reviews, experience and awareness-raising between the IPA II beneficiaries and between IPA II beneficiaries and the Member States towards the implementation of Beneficiaries' commitments under the Paris Climate Agreement. The regional character of the cooperation under the action will help the exchange of information, best practices, experience and awareness-raising between and among IPA II beneficiaries. The regional cooperation already strengthened and consolidated by ECRAN and RIPAP will be promoting win-win solutions and seizing synergies at the regional level. The Beneficiaries will have the possibility to learn from the experience of the Member States and to prepare themselves better for the process towards the European path. Already established regional platforms, such as the one on GHG inventories, will be further straightened. The above-mentioned challenges are technological, societal and economic. Regional approach in dealing with these challenges might be seen as a way forward.

The following results will be achieved through the implementation of the action:

### **1. Climate policies and strategies to support implementation of IPA II beneficiaries' commitments under the Paris climate agreement identified and developed**

- *Enhanced awareness on the outcomes and provisions of the Paris climate agreement, the EU 2030 Framework on Climate and Energy Policies, the Energy Union and the respective EU Governance with its Integrated Energy and Climate Plans (NECPs)*
- *Development and implementation of regional policies and strategies to align with low emissions pathways, particularly towards the mid-century low emissions development strategies supported*

The action will support capacity-building actions, including a gender equality module, for preparing of concrete climate policies with GHG emissions reduction targets in the context of EU 2020 Climate and Energy Package, the EU 2030 framework for climate and energy policies and the 2015 Paris Agreement. Particular emphasis would be put on harmonising the approach to data collection, including gender data, and processing, including building on existing processes.

It will also address raising-awareness events at regional and IPA II beneficiary level on the outcomes and provisions of the Paris climate agreement, as well as on newly adopted climate *acquis*.

The following activities will be considered:

- A regional exercise, with a special focus on the application of modelling, scenario development as well as tools for the preparation and implementation of low emission strategies. Further training on analytical tools (low emissions scenario modelling and pathways using various modelling platforms);
- Modelling studies of low emissions pathways (implications for energy mixes) of Beneficiaries;
- High level EU/Beneficiary dialogues at regional and IPA II beneficiary level: This activity is designed as a demand driven mechanism, where the action could also provide hands-on assistance on specific requests (e.g. practical assistance and short missions to support the drafting, fine-tuning and implementation of key policy documents and legislation on low carbon development, mitigation and adaptation as well as related assessments of social and economic impacts).

*Regional exercise on a selected climate legislative act – how to set it up (for instance EU Governance)* The following activities could be considered:

- targeted background studies (e.g. legal and institutional analysis and market analysis; identification of logistical, administrative and regulatory requirements so that the regulations can be effectively applied),
  - specific training activities
  - work planning for *acquis* implementation
- *Capacity building on implementation of selected energy acquis – focus on Energy Union Strategy; revised Energy Efficiency Directive; revised Renewable Energy Sources Directive, development of integrated energy and climate action plans at IPA II beneficiary level.*

In 2014 the EU agreed to a clear commitment: to collectively reduce greenhouse gas emissions of at least 40% by 2030 compared to 1990 levels across all sectors of the economy, and has now adopted almost all the 2030 Energy and Climate framework legislation. The *acquis* under the remit of DG ENERGY has not been covered in the ECRAN or RIPAP, but given the complementarity of action, it could be addressed in this action.

As A credible enlargement perspective for and enhanced EU engagement with the Western Balkans prioritises to expand the Energy Union to the Western Balkans, there will be shift towards the energy transition through the increase of renewable energy sources, by increasing energy efficiency, reducing energy dependency of the region and accelerate the fundamental modernisation of the regional economy.

For the region, the following challenges can be identified taking into consideration the 2050 time horizon:

- Having the major shift of decarbonisation of electricity sector by 2050
- Avoiding the issue of stranded assets with development of new fossil based generation units (typically lignite based)
- Decentralisation due to RES integration – reorganisation of networks
- Energy Efficiency in households, public buildings and industry
- Development of regional market for RES-E
- Energy storage capacity development
- Managing complexity of RES sources and integrating them into the grid system
- Maintain equal access to energy services
- Security of supply issues

The above-mentioned challenges are technological, societal and economic. Regional approach in dealing with these challenges might be seen as a way forward, as already pointed out in the RIPAP conclusions.

Additionally, as the Energy Community is moving forward on climate *acquis*, namely to include the MMR and the EU Governance into their legislation, this activity should be seen as complimentary, also improving cooperation between the Ministries of Environment and Climate Change and Ministries of Energy.

Activities will include aspects that are additional to the activities implemented already through the Energy Community. In the first phase, activities will focus exclusively on *acquis*-related issues:

- Targeted background studies (e.g. legal and institutional analysis and market analysis; identification of logistical, administrative and regulatory requirements so that the Energy Efficiency and the RES Directives can be effectively applied).
- specific training activities (e.g. RES and EED implementation requirements)
- work planning for *acquis* implementation

## **2. Capacity building on domestic GHG inventories, including legislative framework, strengthened**

- *Upgrading of domestic GHG monitoring, reporting and verification practices towards compliance with Paris agreement and its Rulebooks as well as with the EU Monitoring Mechanism Regulation and the EU Governance –domestic systems, data management and QA/Q*
- *Regional NIR Development Exercise – depending on the state of play of domestic GHG inventories*

The Beneficiaries need to start developing robust domestic inventory systems that are capable of preparing complete, accurate and transparent annual greenhouse gas inventories, inventory related chapters of the biennial reports as well as National Communications in line with the UNFCCC requirements and the EU MMR. The long-term goals for each Beneficiary will be to be self-sufficient in producing regular high quality GHG inventories suitable for NC, BUR, NDC, MMR as well as EU Governance reporting.

The following activities are proposed to be implemented:

- Legal and institutional gap analysis for domestic systems capable of implementing MMR/EU Governance requirements: this includes development of simple and extendible GHG inventory database systems and template documents for Beneficiaries;
- Developing implementation plans for domestic systems implementation including tasks for Single National Entities, sectoral GHG inventory work using CRF software tools, QA/QCs plans;
- Sector training on CRF filling for the energy sector, Industry, AFOLU and Waste;
- Targeted assistance to IPA II beneficiaries on selected priority themes for domestic systems.

Regarding the Regional NIR Development Exercise, activities could be targeted at ensuring the timeliness, transparency, accuracy, consistency, comparability and completeness of GHG reporting by the IPA II beneficiaries, including progress in the emission reduction commitments of IPA II beneficiaries following the Paris Climate Agreement.

Work could be proposed as a **shadow National Inventory Report exercise** following the MMR/EU Governance requirements for the structure, format, submission process and review of the information reported by Member States and potentially establishing the substantive requirements for a Union inventory system and transposing relevant international developments (e.g. regarding the global warming potentials) into this system. The purpose is to gradually improve skills, structures, and quality of data to allow recurring GHG inventory reporting.

The following activities are proposed to be implemented on a **voluntary basis**.

- Regional exercise on annual and targeted at complete National Inventory Reporting for the IPA II beneficiaries. This exercise is proposed to be implemented in line with the procedures and deadlines as specified by the on voluntary basis, with peer review mechanisms by MS experts and EEA and with proposed deadlines in parallel with the ongoing annual activities related to the development of the EU NIR.

- Peer review of submissions by Member States experts: Engaging in a peer/bilateral review with inventory.
- Improvement planning and QA/QC mechanisms.

### **3. Strengthened monitoring, reporting, accreditation and verification requirements targeted at operators, authorities, verifiers, and CSOs under the revised EU ETS and new secondary legislation**

- *Some ETS implementation steps achieved such as support for further development of road maps*
- *Some capacity building on ETS implementation such as on monitoring, reporting and verification procedures*

Work will focus on the legal and institutional requirements related to EU ETS implementation. It will be based on best practices and experiences from Member States.

The following activities will be considered:

- IPA II beneficiaries will be assisted with the approximation of any existing procedures and methodologies to those established under the ETS Directive.
- For Beneficiaries in the earlier stage of establishing ETS, assistance will focus on setting up the legal and organisational framework to support implementation, including the decision-making on formal responsibilities and the need to organise implementing elements at domestic level. For Beneficiaries whose accession is due before the end of the third trading period, assistance will focus at further steps in the implementation process, as elaborated below.
- For Beneficiaries for which implementation of ETS is nearing – either due to the approaching of the potential EU accession date or based on their choices to implement ETS relatively soon – support could be provided to identifying which installations may be subject to emissions trading.
- Candidates and potential candidates could also start guiding operators regarding permitting requirements and requisites for monitoring and reporting and for the verification of annual emission reports and should provide for the necessary procedures in respect of the accreditation of verifiers. As a first step MRR and AVR aspects could be developed for a future ETS system.
- The necessary capacity building will be determined, both logistically and in terms of human resources. Considerable time is needed to ensure that stakeholders are well aware of the legal implications of the directive, and the authorities involved should agree on a plan to ensure that the time-frames for the implementation of the obligations stipulated in the directive will be respected, while at the same time guaranteeing the accuracy, transparency and comparability of the information submitted.
- IPA II beneficiaries could also start guiding operators regarding permitting requirements and requisites for monitoring and reporting and for the verification of annual emission reports and should provide for the necessary procedures in respect of the accreditation of verifiers. As a first step MMR and AVR aspects could be developed for a future ETS system.
- The necessary capacity building will be determined, both logistically and in terms of human resources. Considerable time is needed to ensure that stakeholders are well aware of the legal implications of the directive, and the authorities involved should agree on a plan to ensure that the time-frames for the implementation of the obligations stipulated in the directive will be respected, while at the same time guaranteeing the accuracy, transparency and comparability of the information submitted.
- The option to participate in the compliance forum or other EU Member States networking activities as observer parties will be considered as well for this Sub-Working Group
- The option of developing a regional ETS, modelled along the EU ETS could be explored as well. Linking the EU ETS with these other cap-and-trade systems offers several potential benefits, including reducing the cost of cutting emissions, increasing market liquidity, making the carbon

price more stable, levelling the international playing field and supporting global cooperation on climate change.

Regarding capacity building on ETS implementation, the activity will be focused on stakeholders' training (competent authorities, operators, verifier, accreditation bodies, etc.) on the requirements under the revised directive. Following the training programme under ECRAN and RIPAP, further training topics will be established, including Monitoring, Reporting, Accreditation and Verification (MRAV) but also other aspects like Permitting, Allocation Plan and issuing of allowances through auctioning, Benchmarking, Carbon leakage, Auctioning, Preparation of National Implementing Measures (NIMs), Registries, Aviation inclusion into the EU ETS, Public participation, Reporting.

The following activities will be considered:

- Continued regional training programme on the EU Monitoring and Reporting, and Accreditation and Verification Regulations targeted at operators, authorities and verifiers, CSOs.
- Training on other ETS related topics on the basis of a training needs assessment and in line with the ETS implementation planning processes in the IPA II beneficiaries.
- Training missions from Member States experts to the IPA II beneficiaries

#### **4. Adaptation options explored**

Activities could build on the activities and the results achieved in the ECRAN Adaptation Working Group in the period from 2013 until 2016. National ECRAN Adaptation teams from the Beneficiaries worked together on steps towards developing domestic adaptation strategy using steps identified in the Climate Adapt Support Tool. The ECRAN Adaptation Programme included a series of workshops that guided the National ECRAN Adaptation Teams through the different stages towards developing domestic climate adaptation policies and legislation, combined with – in the period of January to April 2015 – regional training sessions that supported Beneficiaries' experts from selected technical areas to carry out risk and vulnerability assessments and adaptation planning. The follow-up could consider a move from the theoretical sphere to the practical sphere by embarking on the first steps towards an ambitious cooperation on the regional adaptation planning.

Follow-up activities could include:

- Supporting the development of domestic adaptation strategies and legislation, with a shift from knowledge transfer to implementing action through on-hands training and close cooperation with EEA
- Develop a Regional Adaptation Strategy Development by assessing options for regional co-operation in the field of adaptation and defining the first steps towards a Regional Adaptation Planning.
- Identify and implement tools for Regional Adaptation Options in selected sectors (series of technical and institutional workshops and training sessions);
- Support Urban Adaptation by promoting cooperation with Mayors Adapt and identifying spin-off projects;
- Support Regional Cooperation and Disaster Risk Management (series of technical and institutional workshops and training sessions);
- Support continued harmonisation and collaboration between IPA II beneficiaries and EU countries;
- Enhance cross-border cooperation in the IPA II region.

#### **5. Compliance checks of selected legislative acts**

Legislative compliance checks are an independent review of the compliance of draft laws and regulations with the climate EU *acquis*. Being an ad hoc activity, it is performed at the request that can be made by the IPA II beneficiaries and/or European Commission. The final reports are confidential and can be disclosed only upon approval by the European Commission and the Beneficiary concerned.

All activities are to be revised before the implementation of the action in view of the outcomes of the IPA II McP 2016 action *Technical assistance towards implementation of the new Paris Climate Agreement -RIPAP*.

## **RISKS**

The identified assumptions/risks for the action are:

- The previous IPA II McP 2016 action *Technical assistance towards implementation of the new Paris Climate Agreement* has been successful in carrying activities and providing outputs, which are essential for implementing the activities in this Action Document;
- A quick continuation/follow up is ensured so as to keep the momentum and engagement of the public administration and other stakeholders;
- Institutional support of relevant authorities to engage in regional cooperation and exchange of best practices;
- Resources made available by the Beneficiaries for participation in activities;
- High level of institutional stability without major shifts in responsibilities of ministries, other institutes and /or agencies, or shifts of key staff involved in the action implementation;
- Willingness of other sectors within the public administrations of Beneficiaries, especially energy, transport, water resources and agriculture to cooperate with their colleagues in the environment and climate sectors.

## **CONDITIONS FOR IMPLEMENTATION**

Almost all of the IPA II beneficiaries have ratified the 2015 Paris Agreement, but now need to prepare strategies/legislation/action plans for its implementation. The Agreement entered into force on 4 November 2016, in accordance with article 21(1): The Agreement enters into force on the thirtieth day after the date on which at least 55 Parties to the Convention accounting in total for at least an estimated 55 per cent of the total global greenhouse gas emissions have deposited their instruments of ratification, acceptance, approval or accession. More information about the ratification and entry into force of the Agreement can be obtained on the [UNFCCC website](#).

## **3. IMPLEMENTATION ARRANGEMENTS**

### **ROLES AND RESPONSIBILITIES**

- ***European Commission/ Directorate-General for Climate Action, Unit A1***

The action will be directly managed by the Directorate-General for Climate Action, Unit A1, which will be responsible for the coordination of the action inside the Directorate-General for Climate Action, with DG NEAR, the EU Delegations (EUDs), but also with other Directorates-General (DGs) and external partners. the Directorate-General for Climate Action, in consultation with all partners, will decide on the direction to give to the action.

- ***European Commission/ Directorate-General for Neighbourhood and Enlargement Negotiations***

The Directorate-General for Neighbourhood and Enlargement Negotiations will be associated to the implementation of the action for activities related to the alignment with EU *acquis*.

- ***Beneficiary authorities***

The beneficiary authorities will be the key actors of the action. The main interlocutors will be ministries in charge of environment and climate policy issues, as well as other ministries in so far as their work is relevant for the scope of the action (such as in the fields of energy, transport, economy, etc.), environment agencies, statistical institutions, and other relevant central, regional and local public authorities working on environment and climate issues in the Beneficiaries. In addition, the action will also involve the institutions

centrally responsible for planning and monitoring EU approximation alignment as well as the institutions in charge of the preparation of the Governments' programmes.

Duration of the action will be 36 months.

#### **IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING**

The action will be managed directly by the Directorate-General for Climate Action, Unit A1. It will be implemented through a service contract which is envisaged to be signed in 2019.

### **4. PERFORMANCE MEASUREMENT**

#### **METHODOLOGY FOR MONITORING (AND EVALUATION)**

The action will be run according to the PRAG which set the general standards for monitoring and reporting.

The day-to-day monitoring of the action will be carried out by the Task Manager in the Directorate-General for Climate Action. In the perspective of this exercise, s/he will use the reports produced by the Consultant. S/he will also have regular contacts with the Directorate-General for Neighbourhood and Enlargement Negotiations Regional Cooperation and Programmes unit as well as the Directorate-General for Neighbourhood and Enlargement Negotiations geographical desks and EU Delegations and, when relevant, with the beneficiary authorities in order to monitor the action as closely as possible to its implementation.

The Directorate-General for Neighbourhood and Enlargement Negotiations will be closely involved in particular in the monitoring of the action for all activities related to the alignment with the EU *acquis*.

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the Directorate-General for Neighbourhood and Enlargement Negotiations guidelines on linking planning/programming, monitoring and evaluation. In addition, the action might be subject to external monitoring in line with the European Commission rules and procedures.

## INDICATOR MEASUREMENT

Indicator	Baseline (value + year) (2)	Target 2020 (3)	Final Target (year) (4)	Source of information
MCSP indicator (impact/outcome)....(1)				
Number of legislative and policy proposals for implementation of the 2015 Paris Climate agreement drafted and adopted.	No climate change strategies/legislation in place.	Climate/low emissions/climate resilience/energy strategies and legislation in place  New law on Climate Change drafted Rulebook on GHG Inventories drafted Action Plan for LEDS Strategy implementation agreed/in draft	Development of mid-century low-emissions development strategies.	Official gazette International Energy Agency European Environment Agency United Nations Framework Convention on Climate Change European Commission Progress Reports EU Delegations press releases. Project reports Project website
Formal and informal cooperation networks/platforms for exchange of information, best practices, peer-to-peer reviews, experience and awareness-raising				Project reports, Guidance documents and manuals Project website
Number of workshops and/or high-level dialogues held. Number of civil servants trained at the workshops/high-level dialogues held with the support of this action. Number of institutions involved in areas of climate action, energy, climate resilience. Greenhouse gas (GHG) Inventory Reports for EEA submitted. GHG Inventory Reports for UNFCCC submitted. National Communications, Biennial Reports for				Project Reports EU Delegations press releases Guidance documents and manuals Project website Workshop evaluations

UNFCCC submitted. Number of civil servants able to assess/approve Management Plans. Number of industrial installations involved in training/number of staff trained on how to prepare Management Plans. Number of verifier companies involved in trained/number of staff trained on verifying Management Plans. Number of guidelines for operators/authorities/verifiers on monitoring and reporting and accreditation and verification drafted. Number of workshops held. Number of civil servants trained. Number of adaptation strategies.				
Selected legislative acts revised. Selected legislative acts forwarded into parliamentary procedure.				Official Gazette, web site of ministries, EUDs.

(1) This is the related indicator as included in the Indicative Strategy Paper (for reference only)

(2) The agreed baseline year is 2010 (to be inserted in brackets in the top row). If for the chosen indicator, there are no available data for 2010, it is advisable to refer to the following years – 2011, 2012. The year of reference may not be the same either for all indicators selected due to a lack of data availability; in this case, the year should then be inserted in each cell in brackets. The baseline value may be "0" (i.e. no reference values are available as the action represents a novelty for the beneficiary) but cannot be left empty or include references such as "N/A" or "will be determined later".

(3) The target year CANNOT be modified.

(4) This will be a useful reference to continue measuring the outcome of IPA II support beyond the 2014-2020 multi-annual financial period. If the action is completed before 2020 (year for the performance reward), this value and that in the 2020 target column must be the same.

## **5. CROSS-CUTTING ISSUES**

### **GENDER MAINSTREAMING**

The mandatory EU Gender Action Plan (GAP) 2016-2020 includes mainstreaming as one of the three specific approaches to be implemented in the programming together with political and policy dialogue and the promotion of specific actions for gender equality and women's rights. The current action, will contribute to the following objective of the GAP: "equal rights enjoyed by women to participate and influence in the decision making process on climate and environmental issues. Therefore, this action will contribute to this objective".

### **EQUAL OPPORTUNITIES**

Equal opportunities will be mainstreamed in all the relevant activities of the action. The development of the action will require professional qualifications and competences guaranteeing equal opportunities for its implementation and selection of experts.

### **MINORITIES AND VULNERABLE GROUPS**

The poorest being most vulnerable to the impacts of climate change, the action is of particular importance to minorities and vulnerable groups, as well as to refugees.

Participation in the implementation of the action will be guaranteed on the basis of equal access regardless racial issues or ethnic origin, religion and beliefs, age or sexual orientations.

### **ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)**

The ECRAN programme had as objective to build and strengthen civil society organisations working in environment and climate change areas. This was carried out through the Environment and Climate Forum, a network of 21 environmental and climate change non-governmental organisations. The NGOs Dialogue was established in 1999 with the European Commission's support and has enabled over the last 15 years the creation of a network of selected NGOs from IPA II beneficiaries while providing them an opportunity to become an active and constructive partner for central public administrations. Building on the previous achievements (NGOs Forum of 2004-2008 and NGOs Environment Forum of 2009-2012) the NGOs Environment and Climate Forum was incorporated under the ECRAN as a horizontal element, covering environment and climate components.

As such, the overall objective of the Environment and Climate Forum (ECF) was to strengthen the role of public participation in the approximation and accession process. In doing so, the ECF provided wide ranging opportunities for the civil society and its active involvement in the approximation process, assisted in capacity development of the NGO sector and provided opportunities for improving the stakeholders' dialogue. The ECF representatives confirmed in the September 2016 ECRAN Steering Committee meeting that they would find a separate NGO project more suitable to the current state of affairs, and accordingly this action will not contain an NGO component. However, there might be other opportunities to invite representatives of the climate NGOs in the region to participate in the hands-on trainings on climate policies.

### **ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)**

The action has a direct link to EU climate *acquis*, as it will continue to provide support towards implementation the Paris Agreement and the IPA II beneficiaries' contribution to it. The Beneficiaries will have to fully align with EU climate policy and *acquis*, and start working towards greenhouse gas emissions reduction targets consistent with the EU 2030 Framework for climate and energy policies, the Energy Union Strategy and the outcomes of the Paris Agreement.

Climate action relevant budget allocation: EUR 2 million.
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## 6. SUSTAINABILITY

To ensure sustainability of the action, Beneficiaries must not only have administrative and institutional capacity in place to transpose EU climate *acquis* and align with the EU climate policies, they should also ensure implementation of those policies and laws.

Given the limited absorption and administrative capacities, sustainability of the action is one the concerns that need to be actively addressed throughout the implementation of the action. It is proposed to tackle this challenge by continuing to focusing the action on several selected areas, promoting the beneficiary-driven requests, so that Beneficiaries which are showing progress can do more (also through a more pronounced use of TAIEX). The action will continue to support legislative development and inter-institutional cooperation, as well as high-level policy dialogues, which should ensure high-level political support for climate action in IPA II beneficiaries. The action should primarily support activities, which would provide Beneficiaries with tools that they can continue independently. Also, the Beneficiaries can provide updates on the progress made, problems encountered and plans for follow up during the implementation of the action, ensuring the ownership of the process.

Any support on *acquis* alignment, legislative development or preparation of policy documents will be done in accordance with the approach advocated by the 'Better Regulation Agenda', which aims to ensure that “policies and legislation are prepared, implemented and reviewed in an open and transparent manner, informed by the best available evidence and backed up by involving internal and external stakeholders”. In particular, assistance shall focus on providing analytical prerequisites such as concept notes, options analyses and support to impact assessment. Support in legislative drafting shall be paired with capacity building of the beneficiaries (introduction of international examples, detailed explanation of proposed texts, etc.). The action will also ensure that the new pieces of legislation are consulted among the relevant institutions and with the target groups which are likely to be affected by the new legislation.

Moreover, capacity-building and human resources development activities shall be coordinated with the institutions that are centrally responsible for human resources management and professional development of civil servants.

In addition, whenever written procedural manuals or guidelines are developed, they should be simple enough to be regularly updated and changed by the staff of the beneficiary organisations without further external support. Any guidelines or procedures developed cannot contradict with any legal provision of the Beneficiary.

Finally, in order to ensure good level of sustainability of any development of registries, databases, management information systems, IT platforms and other IT systems should respect the domestic standards for interoperability. In cases when these are missing, relevant consultations with the coordinating central authority for information and communication technologies (ICT) should be a prerequisite before launching any tenders.

## 7. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the action. The implementation of communication activities will be the joint responsibility of the beneficiaries, 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 EU communication and visibility requirements in force. All stakeholders and implementing partners shall ensure the visibility of EU financial assistance provided through IPA II throughout all phases of the programme cycle.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process, as well as the benefits of the action for the general public. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.

Visibility and communication aspects shall be complementary to the activities implemented by the Directorate-General for Climate Action, the Directorate-General for Neighbourhood and Enlargement Negotiations and the EU Delegations in the field. The European Commission and the EU Delegations should be fully informed of the planning and implementation of the specific visibility and communication activities.