

Identifying institutional structure for the NDA in Serbia

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Obligations and needs of Serbia

- Serbia ratified the Paris Agreement (COP 21) to reduce GHG emissions by 9.8% by 2030 compared to 1990.
- The same document highlights the need for risk reduction and adaptation to climate change.
- In order to achieve these goals, Serbia can use the Green Climate Fund(GCF).
- Mitigation and adaptation should be equally represented.
- This requires an efficient and transparent national institutional structure and a project verification and approval system.

Establishment of the NDA

- **One of the key results of the Project:**
establishment of the NDA – National Designated Authority - for review and approval of projects/programmes for GCF financing

- Another key step for establishment of cooperation with GCF:
 - Identifying **national** accredited body that will submit projects/programmes to the GCF

Current cooperation with GCF

- There is Focal point - FP for cooperation with GCF – Serbian government appointed the minister for agriculture, forestry and water management.
- The Ministry is responsible for the cooperation with GCF - most affected by climate change - agriculture, forestry, water resources
- There are two employees in the Ministry for agriculture, forestry and water management, who are in charge of cooperation with GCF.

Current cooperation with GCF

- **National Climate Change Council established in 2014:**
 - representatives of ministries, province of Vojvodina, City of Belgrade, public enterprises, scientific institutions, NGOs etc.
 - goal: efficient preparation and implementation of policies and measures in the field of climate change,
 - Minister of environmental protection chairs the Council.
- E-mail address for communication about cooperation with GCF was opened in September, 2018 : serbia-gcfteam@minpolj.gov.rs.
- **Completion of the establishment of the NDA– until the end of 2019.**

Imperatives of GCF for NDA

- National "ownership" of finances provided by GCF - integration into national plans and priorities, legislation and policies
- The NDA approves the project/programme before delivering to the GCF
- Respect for the state administration, procedures, experiences(CDM)
- Officially prescribed procedures for involving relevant sectoral institutions in the verification and approval process
- Approval procedure of the project/programme and issuing no objection letters - transparent, fast, clear, efficient
- Stakeholders information mechanism

Considered structure of NDA

Considered options for forming the NDA

- **Option 1**

NDA is the institution of the Government of Serbia, which will implement the procedure for verifying and approving the submitted project/programme proposals:

- the existing government institution or
- new institution/body of the Serbian government.

- **Option 2**

Forming a multisectoral/inter-ministerial body as the NDA.

Considered structure of NDA

- **Option 1 – government institution:**
 - simple coordination and communication of those who prepare and who propose projects / programs
 - a simple procedure for the approval of the project/program
 - great knowledge and experience of NDA employees is required
 - there is currently a ban on employment - an obstacle
 - new institution-the only competence - a small number of projects/programmes
 - needed additional funding
 - necessary amendments to the Law on government and ministries
 - questionable total transparency.

Considered structure of NDA

- **Option 2 – multisectoral/inter-ministerial body:**
 - representatives of institutions relevant to low-carbon and climate-resistant development
 - broad involvement provides a comprehensive approach
 - need less financial resources
 - adaptation to current limitations
 - greater transparency.

Financial aspect of establishment of the NDA

- In addition to the technical, institutional and procedural aspects of analyzing the establishment of the NDA, the financial aspect was also considered.
- Given that the NDA will not have incomes, the analysis exclusively covers costs that may arise from the establishment and functioning of the National authority for the verification and approval of projects/programmes for financing from the GCF, as a newly established or inter-ministerial body.
- Costs are divided into two groups: initial (start-up) and operating costs.
- All costs, depending on the type, have been determined and calculated:
 - i) taking into account the assumed number of employees and the type of work that the NDA would do;
 - ii) insight into the prices of various service and good providers;
 - iii) based on market prices and empirical data;
 - iv) based on average public sector earnings in 2018.

Cost calculation for establishment of the NDA as an inter-ministerial and newly established Government body

	NDA - NOVOOSNOVANO TELO			NDA - MEĐUMINISTARSKO TELO		
	2019 (6 meseci)	2020	2021	2019 (6 meseci)	2020	2021
1 KANCELARIJSKI NAMEŠTAJ	-3,000	0	0	0	0	0
2 APARATI (kompjuteri, skeneri, tel.aparati)	-6,030	0	0	0	0	0
3 IZRADA WEB SAJTA	-3,000	0	0	-3,000	0	0
A START-UP TROŠKOVI (1+2+3)	-12,030	0	0	-3,000	0	0
1 ZAKUP POSLOVNOG PROSTORA	-6,480	-12,960	-12,960	0	0	0
2 BRUTO ZARADE	-27,470	-54,941	-54,941	0	0	0
3 KANCELARIJSKI MATERIJAL	-900	-1,800	-1,800	0	0	0
4 REŽISJKI TROŠKOVI (el.energija, grejanje, čišćenje, internet, telef.)	-1,980	-3,960	-3,960	0	0	0
5 PROMOTIVNI MATERIJAL	0	-13,500	-10,800	0	-13,500	-10,800
6 OBUKE I RADIONICE	0	-20,000	-16,000	0	-20,000	-16,000
7 ODRŽAVANJE WEB SAJTA	-1,200	-2,400	-2,400	0	0	0
8 ZAKUP DOMENA I HOSTING PAKET	-150	-150	-150	-150	-150	-150
9 OSTALI TROŠKOVI	-3,969	-7,938	-7,938	0	0	0
10 REZERVA 5%	-2,708	-5,882	-5,547	0	0	0
OOPERATIVNI TROŠKOVI						
B (1+2+3+4+5+6+7+8+9+10)	-44,858	-123,531	-116,496	-150	-33,650	-26,950
UKUPNI TROŠKOVI (A+B)	-56,888 €	-123,531 €	-116,496 €	-3,150 €	-33,650 €	-26,950 €

Based on the projected costs and the conducted analysis, it is evident that the option of establishing the NDA as an inter-ministerial body, from the aspect of the level of costs and their structure, is more acceptable in relation to the option that takes into account the formation of a new body of the Government of the Republic of Serbia.

Proposed structure of NDA

Proposed option – Inter-ministerial body, as:

- **Sub-council of National Climate Change Council**

Method of establishing inter-ministerial body:

By law or government decision

Proposal:

- **- Define the sub-council by the Law on Climate Change by adding the authority to approve projects and programmes for GCF**

Proposed structure of NDA

- U Pod-savetu bi bili predstavnici:
 - ministries responsible for the environmental protection, agriculture, forestry, water management, mining, energy, finance, economy, construction, transport, interior, science, technological development, health, EU integrations.
 - Republic hydro-meteorological institute, Statistical institute, industry, local governments, NGOs
 - representatives of other relevant institutions, in necessary
 - chair of sub-Council would be FP for GCF.

Operating of NDA - proposal

- Sub-Council would have its Experts group which would perform the technical check of projects/programmes.
- Administrative and technical jobs for the sub-Council would perform Secretariat of the sub-council, that can be Department for climate change in the Ministry for environmental protection or appropriate unit within the institution which is FP for GCF.
- Procedures, rules on procedures for the sub-Council and Experts group, methodology, deadlines for verification and approval of projects/programmes will be prescribed by sub-legal acts and instructions and mainly prepared during this project.

Operating of NDA - proposal

- The project/programme proposal would be delivered to the Secretariat, which determines if the documentation is complete.
- The Secretariat would publish proposal at the internet address for the public insight.
- After period for the public insight, the documentation with relevant comments would be delivered to the Experts group.
- The Experts group would check compatibility of the project/ programme with the national goals and deliver its opinion to the Secretariat.
- Based on opinion of the sub-Council members, the Secretariat would prepare explained attitude, i.e. a letter of approval or rejection.

Operating of NDA - proposal

- If there is no unanimous decision on the submitted proposal, the Secretariat organizes the meeting of the Council in order to solve disputable issues.
- FP signs the letter and the letter is published at the NDA internet address.
- Sub-Council delivers the Work report to the National climate change council at the regular meetings of the Council.

Stakeholders and their role

- **Suggestions**
- **Remarks**
- **Discussion**
- **Transparency**

Thank you



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