## Management Response Template

**Project Title: Climate Smart Urban Development Challenge**

**UNDP PIMS ID: 5551**

**GEF ID: 9342**

**Terminal Evaluation Completion Date: 30 August 2022**

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| **Terminal Evaluation recommendation 1.** Differentiate the projects to be supported in the following groups: * Group 1: Projects based on mature technology and have well established methodology for calculation of GHG reductions
* Group 2: Projects with significant potential for social impact/behavioural changes
* Group 3: Projects with pronounced focus on innovation
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| **Management response:[[1]](#footnote-1) Fully accepted** Differentiation of the projects to be supported depends on the type of challenge call, namely, aim target groups and type of projects. Based on the experience of conducted challenge calls under the CSUD project, in the case of the first group projects should be focused on innovative solutions and business models, proposed by Public Utility Companies and the private sector, in the sectors which have already defined minimum best available technology (BAT), such as IPPC operators. The second group focused on the significant potential for social impact/behavioral changes and should include innovative solutions proposed by civil society organizations (CSOs) and research institutions. In this case potential for GHG emission reduction is minimal and cannot be calculated. The third group of projects should be mainly focused on the contribution of the research/scientific institutions and organizations to the green transformation of society. Therefore, the future project should include three different types of challenge calls. Project under the Group 1 will be supported by the Performance-Based Payments Agreements (PBPs) and project under Group 2 and Group 3 by Innovation awards. This recommendation was already identified by the Project team and is reflected in the new GEF 7-funded project “Reducing Community Carbon Footprint by a Circular Economy Approach in the Republic of Serbia” which started in March 2022. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking[[2]](#footnote-2)** |
| **Comments** | **Status[[3]](#footnote-3)** |
| 1.1 Innovation Challenge Call for projects based on mature but innovative technology  | March 2022 – December 2022 | Project team | Call was published under new GEF 7 project  | Initiated  |
| 1.2 Innovation Challenge Call *to* source and support up to 10 innovative circular economy based low-carbon solutions proposed by the R&D sector | November – December 2022 | Project team | Call will be published in November 2022 under new GEF 7 project | Initiated |
| 1.3 Innovation Challenge Call to source and support new initiatives for the integration of informal waste collectors in the waste management system | February – June 2023 | Project team  | Call will be in February 2023 published under new GEF 7 project | Initiated  |

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| **Terminal Evaluation recommendation 2.** Publish targeted call for each of the different groups and define adequate key indicators for Group 2 and Group 3, like for example, “number of persons reported pro-environment behaviour” or “delivery of a patent (yes/no)”. Examples of key indictors: Include the Group 2 and Group 3 specific key indicators in the main Projects Results Framework, besides the “achievable GHG reductions” relevant for Group 1 only projects. |
| **Management response: Partially accepted** Innovation Challenge Calls for Group 2 and Group 3 will have specific indicators which can be reflected in the Project Results Framework. These indicators are not envisaged in the Results Framework of the new GEF funded project. However, by applying adaptive management response these indicators can be included in the addition to the one already defined and reflected in the mid-term review.  |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 2.1 Updating the Project Results Framework of the new GEF funded project  | October 2022 – June 2023 | Project team  |  | Initiated  |

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| **Terminal Evaluation recommendation 3.** Prepare Manuals for Evaluators which will describe the general principles and procedures that will be used in the evaluation and selection of project proposals. The Manuals should include guidance and examples for all three project groups. Ideally, for each of the three project groups assign different experts for evaluation. |
| **Management response**: **Fully accepted**The Project team will apply this recommendation for Calls within the new GEF project. The team will engage a consultant with an experience in the evaluation of innovation projects, especially the one proposed by the research and development organizations. The Consultant shall develop a Manual for Evaluators for the Innovation Challenge Call for solutions proposed by the R&D sector and a Manual for Evaluators for Innovation Challenge Call for solutions proposed by informal waste collectors. Therefore, principles and indicators will be more specific and clear, and evaluation reports uniform. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 3.1 Developing a Manual for Evaluators for Innovation Challenge Call for solutions proposed by the R&D sector | November – December 2022 | Project team  | Expert support shall be contracted | Initiated  |
| 3.2 Developing a Manual for Evaluators for Innovation Challenge Call for solutions proposed by informal waste collectors  | February – May 2023 | Project teams | Expert support shall be contracted  | Not initiated |

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| **Terminal Evaluation recommendation 4.** Focus on additionality and GHG emissions reduction MRV component only for the Group 1 projects. |
| **Management response**: **Partially accepted** The CSUD project was focused on supporting innovative solutions and business models as well as mobilizing private sector capital for climate & innovation-related development goals, which can have a far-reaching impact in attracting increasing private sector capital and co-financing for future UNDP and GEF-supported projects. The CSUD project coached and inspired the company to change, therefore, the overall project concept, and increase the GHG reduction capacity of their Project. It is noted that some stakeholders, who participated in the CSUD Incubator and Accelerator, also applied for the new Challenge Call under the new ongoing GEF-funded project with the proposal focused on scaling up, new investments and inclusion of new elements of circular economy and decarbonization. It is necessary to consider that the new project donor (GEF) limited co-financing to up to 20% of the project investment value. The project’s local GHG monitoring team will be supported by the projects’ international technical advisor. MRV system for tracking GHG emission reduction will be developed for the projects that will be co-financed by the PBPs Agreement and monitored during the implementation. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 4.1 Development of methodology and project specific guidance for monitoring and evaluation of each new supported project in line with GEF guidelines and specific characteristics of each sector/sub-sector | January – December 2023 | Project team  | Expert support shall be contracted  | Not initiated |
| 4.2 Clarifying and strengthening the definition of additionality | January – June 2023 | Project team | To be done in consultation with UNDP/GEF IRH/HQ M&E Units | Not initiated |

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| **Terminal Evaluation recommendation 5.** Provide additional support to the selected beneficiaries for marketing and branding of their products and/or project results. Put more emphasizes on these elements when designing the challenge calls in future. |
| **Management response**: **Partially accepted** CSUD Incubator and Accelerator programme included numerous workshops and training including marketing analysis and expert support in developing a marketing plan, pitching, and preparing PowerPoint presentations. Marketing and branding products and/or project results depend on the type of innovative solutions. The project team will strengthen this type of technical support, with a focus on branding, in future challenge calls. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 5.1 Updating Acceleration programme for the new challenge calls with emphasize on marketing and branding  | October – December 2022 | Project team  |  | Initiated  |

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| **Terminal Evaluation recommendation 6.** Given the importance of communications for reaching out potential beneficiaries and stakeholders, plan communication component separately and include communications targeted line in the project budget.  |
| **Management response**: **Fully accepted** The Project team will strengthen the communication component in the new GEF project. The Communication consultant will update the Communication and Outreach Plan to elaborate on different communication channels to reach potential beneficiaries and stakeholders.  |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 6.1 Updating the project outreach strategy for the new GEF project, including activities which can make challenge calls more attractive and applicable to different stakeholders | May 2022 – May 2023 | Project team  |  | Initiated |

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| **Terminal Evaluation recommendation 7.** Take into consideration needs and capacities of LSGs more thoroughly during the preparatory or inception phase of the projects in order to avoid that some of them are not ready enough or not committed to participate fully into the project activities. Exchange and share regularly knowledge with SCTM (due to their position and knowledge regarding LSGs readiness, interests, needs and capacities) in order to minimize the potential risks related to LSGs involvement. |
| **Management response: Fully accepted** The Project Team will extend established cooperation with SCTM through regular exchange meetings. The role of SCTM will be important for the implementation of project activities related to LSGs in the new GEF project. The focus will be on the readiness and commitments of LSGs in the waste management sector. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 7.1 Strengthen cooperation with SCTM by regular exchange meetings (at least quarterly) | November 2022 – May 2023 | Project team  |  | Initiated  |

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| **Terminal Evaluation recommendation 8.** In cases when the main goal is “opening data”, avoid supporting preparation of strategic and planning documents as their formal adoption is highly uncertain. Particularly, the strategic and planning documents which still does not represent a formal obligation for the beneficiary institution. Instead, support Studies which will inform CSUD projects design, facilitate their implementation and measure their impacts. |
| **Management response: Fully accepted**The recommendation is fully accepted and will be reflected in the project design phase of the new projects, especially the one under development where the focus will also be on “opening data” of LSGs in the waste management sector by applying IT solutions. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 8.1 Project team will incorporate different approach in opening data of cities and municipalities at the new project design phase  | January – September 2023 | Project team  |  | Not initiated |

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| **Terminal Evaluation recommendation 9.** When a LSG is PBP beneficiary, apply a modified/ customized contract model considering complex and unfriendly procurement procedures which introduce high risk of impeding project implementation. For example, LSG should keep monitoring and supervision role, while a third entity should be in charge for implementation of the PBP agreement and procurement. |
| **Management response: Partially accepted** PBPs Agreements have defined rules and procedures for all stakeholders, including LSGs. On the other hand, LSG must follow procurement procedures in line with national legislation. The recommendation that "LGS should keep a monitoring and supervision role while a third entity should be in charge of the implementation of the PBP agreement and procurement" can be applied to projects where a proposal is not related to local public services and activities under the jurisdiction of LSGs. In new projects, LSGs is a project partner to other stakeholders in the case that LSGs should provide a location for implementation of project activities if LSGs is in the Public Private Partnership and similar cases. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 9.1 For new GEF project potential role of LSGs will be evaluated and some correction measures proposed  | October 2022 – June 2023 | Project team  |  | Initiated |

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| **Terminal Evaluation recommendation 10.** Organize more intensive campaigns with showcase events and other communication products presenting the LSG achievements under open data and innovation challenges.Organize peer-to-peer trainings with most advanced LSGs from open data innovation challenge serving as trainers in order to motivative and capacitate the other LSGs to prepare applications for the calls. This will also enable transfer of knowledge and experiences from successful projects (Example: promotion of the solution for animal waste mapping and management in Sremska Mitrovica). |
| **Management response**: **Fully accepted** A communication consultant, engaged in the inception phase of the implementation of the new GEF project, will update the existing outreach strategy defined in the Communication and outreach plan. New outreach activities will include the organization of peer-to-peer training for LSGs where cities and municipalities that participated in the CSUD Challenge Calls (open data, bio-waste management) will transfer their knowledge and experience. Moreover, specific training will be organized for exchanging knowledge between LSGs participating in the new GEF project.The Project team will continue with the practice of making short videos on different innovative solutions, with a focus on projects proposed and implemented by the LSGs. Moreover, examples of good practices will continue to be showcased in public events and conferences. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 10.1. Updating the project outreach strategy of new projects regularly to include activities which can make LSGs projects more attractive and applicable to other LSGs  | October 2022 – December 2023 | Project team |  | Initiated  |
| 10.2 The new project document was designed previewing a communication consultant since the beginning of the project  | September 2022 | Project team |  | Completed |

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| **Terminal Evaluation recommendation 11.** Given the wide scope of CSUD topic, enhance the interministerial cooperation/ engagement, particularly for CSUD open data challenge where a great portion of relevant data is in the domain of the Ministry of Mining and Energy |
| **Management response**: **Partially accepted**Cooperation with other ministries started under the CSUD project will be strengthened during the implementation of the new ongoing projects started in 2022. Relevant ministers for decarbonization and green transformation of industry are part of Steering Committees of ongoing projects. New projects include strengthening the capacity of the Ministry of Mining and Energy for managing data relevant to the energy consumption of public institutions that were relevant for the CSUD open data challenge. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 11.1 Strengthening cooperation with the Ministry of Mining and Energy in ongoing projects  | May – September 2022 | Project team  |  | Completed  |

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| **Terminal Evaluation recommendation 12.** Maintain and enhance the partnerships with the umbrella institutions like SCTM (for LSGs) and Chamber of commerce and NALED (for private sector) enabling mutual exchanges and support, as well as for effective outreach through established networks and contacts. |
| **Management response**: **Partially accepted** The CSUD project has established good cooperation and partnership with the umbrella organization since the implementation phase. The Standing Conference of Towns and Municipalities (SCTM) was involved in the development of Local Low-Carbon development strategies. CSUD and SCTM organized different workshops for raising the capacity of LSGs. The CSUD project supported the Chamber of Commerce and Industry of Serbia (CCI) in establishing the Platform for the Circular Economy that was the base for the new GEF project. Moreover, CCi is a formal partner in new GEF 7 projects. The CSUD project cooperated with NALED in outreach activities related to food waste. The engagement plan for the new GEF project has already started. In this plan, it would be possible to establish a new approach to the duties and responsibilities of project partners. Moreover, SCTM and CCI are project partners in implementing project activities under the EU for the Green Agenda project, for exchanging information and organizing outreach activities, focusing on the circular economy. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 12.1 Establishing partnership with umbrella institutions  | September 2022 – October 2022 | Project team  |  | Completed  |

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| **Terminal Evaluation recommendation 13.** Improve the prospects for cooperation and building partnerships and synergetic action with other Donors and national partners through:* Enhancing transparency of the Environment portfolio
* Reinforcing the country and other stakeholders' ownership over the projects and their results

Highlighting the contributions of the projects from the Environment portfolio to the objectives of other portfolios, particularly contributions in terms of transparency, openness, inclusiveness which are drivers of Good Governance portfolio.  |
| **Management response: Fully accepted** The recommendation is fully accepted. Cooperation with the national partners and donors will be strengthened through the new projects started in 2022 and the ones under preparation. The Environmental portfolio has established good cooperation and relationship inside and outside CO, including the usage of internal resources and capacities in relevant areas (gender, digital etc.). |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 13.1 Continuing and follow-up and cooperation with the Ministry of Environmental Protection  | 2022 – December 2023 | Project team  |  | Initiated  |
| 13.2. Continuing engagement with other portfolios, especially in the framework of gender analysis and gender-responsive actions and indicators  | 2022 – December 2023 | Project team  |  | Initiated  |

1. Select one: Fully Accept, Partially Accept, Reject [↑](#footnote-ref-1)
2. Status of implementation is tracked electronically in the Evaluation Resource Centre (ERC). [↑](#footnote-ref-2)
3. Select one: Not initiated, Initiated, Completed, Completed, No longer applicable [↑](#footnote-ref-3)