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EU4Climate

Better Climate Policies for Eastern Partner Countries



ENABLING AMBITIOUS CLIMATE ACTION

Progress And Ways
Forward In The Eastern
Partnership Countries

November 2023

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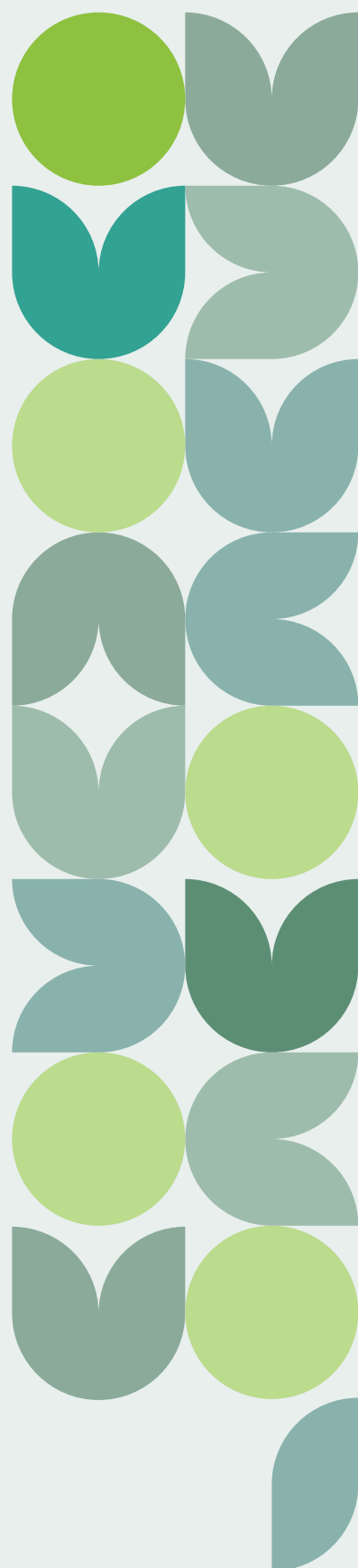
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ACRONYMS AND ABBREVIATIONS

CBT	Climate Budget Tagging	MRV	Monitoring, reporting and verification
CCA WG	Climate Change Adaptation Working Group	NAP	National Adaptation Plan
CLRTAP	Convention on Long-Range Transboundary Air Pollution	NAS	Environmental Security Climate Adaptation Strategy (National Adaptation Strategy)
CPEIR	Climate Public Expenditure and Institutional Review	NDICI	Neighbourhood, Development and International Cooperation instrument
DG CLIMA	EU Directorate-General for Climate Action	NECP	National Energy and Climate Plan
DG NEAR	EU Directorate-General for Neighbourhood and Enlargement Negotiations	NDC	Nationally Determined Contributions
EAP	Eastern Partnership	NGO	Non-governmental Organisation
EnC	Energy Community	ODS	Ozone-depleting substances
ENI	European Neighbourhood Instrument	PA	Paris Agreement
ETS	Emissions Trading System (EU Directive 87/2003)	QA/QC	Quality assurance and quality control
EU	European Union	RECC	Regional Environmental Center for the Caucasus
F-gases	Fluorinated gases	SCCC	State Commission on Climate Change
GCF	Green Climate Fund	SDG	Sustainable Development Goal
GHG	Greenhouse Gas Emissions	SEA	Sustainable Energy Assessment
LT-LEDS	Long-term strategies for low-carbon development	SECAP	Sustainable Energy and Climate Action Plan
LULUCF	Land use, land-use change, and forestry	UN	The United Nations
MENR	Ministry of Ecology and Natural Resources of Azerbaijan	ToR	Terms of Reference
MMR	Monitoring and Reporting Mechanism (EU Regulation 525/2013)	UNDP	The United Nations Development Program
MNREP	Ministry of Natural Resources and Environmental Protection of Belarus	UNFCCC	United Nations Framework Convention on Climate Change
MoEPA	Ministry of Environmental Protection and Agriculture of Georgia		



FOREWORD

Since its launch in 2020, the EU4Climate project has provided strong and steady support to the Eastern Partnership countries – Armenia, Azerbaijan, Belarus¹, Georgia, the Republic of Moldova, and Ukraine – in formulating ambitious climate policies and legislation. These efforts have aimed to bring our partners closer to fulfilling their commitments under the Paris Agreement as well as under their partnership agreements with the EU. The significance of such climate effort has heightened, especially in 2023, recognised as the hottest year ever recorded in human history. In the current context, the collective actions undertaken over the past three years under the EU4Climate programme appear not merely relevant, but highly necessary.

The Eastern Partnership countries are highly exposed to the impacts of climate change and are regularly grappling with heat stress, droughts, floods and landslides, with an annual temperature increase surpassing the global average and a significant decrease in precipitation, affecting all economic sectors, and particularly energy infrastructure, agriculture, human health, water resources, forestry and tourism. All of these are making ambitious climate action more urgent than ever, especially as the current national plans under the Paris Agreement fall short, projecting a 9% increase in global emissions by 2030.

Recognizing the scientific evidence of climate change, in 2019, the EU launched the European Green Deal, a comprehensive policy approach that integrates climate policy into financial, economic, industrial, and agricultural policies, aiming for decarbonisation and climate neutrality by mid-century. The legislative proposals under this initiative – known as the “Fit for 55” package - targets a 55% cut in emissions by 2030.

The EU4Climate Project has empowered the Eastern Partnership countries to align with these ambitious goals. The EU and UNDP worked in close collaboration to increase the ambition of Eastern Partnership countries in fighting climate change. As a result, EU4Climate has supported them in updating their commitments under the Paris Agreement, in adopting long-term low-emissions development strategies (some including climate neutrality targets by mid-century), enhancing their emissions monitoring and reporting capabilities, aligning with the EU acquis and preparing adaptation strategies.



¹ In line with the Council Conclusions of 12 October 2020 and in light of Belarus's involvement in the Russian military aggression against Ukraine, recognised in the European Council Conclusions of February 2022, the EU has stopped engaging with representatives of Belarus public bodies and state-owned enterprises. Should there be a change of the context this may be reconsidered.

As we celebrate these achievements, the real work begins with the implementation phase. UNDP is strongly committed to provide further support for implementing the Paris Agreement through the Climate Promise initiative, collaborating with over 120 countries and territories to enhance their climate ambitions. In the face of imminent climate challenges, actionable steps matter more than mere intentions. As the UN Secretary-General emphasizes, it's time for decisive action, with no more hesitancy, excuses, or waiting for others to lead.

Building on the '20 deliverables for 2020', the Joint Communication of March 2020 and the Council Conclusions of May 2020, the EU has proposed a set of post-2020 Eastern Partnership priorities² with a view to support the economic recovery and the resilience of our closest partners in the Eastern Neighbourhood. These post-2020 priorities, are supported by an ambitious Economic and Investment plan whose implementation - started in 2021 – is already delivering tangible results in the region. The Plan aims to mobilise €2.3 billion from the EU budget, in the form of grants, blended finance and guarantees, to support a sustainable, climate resilient transformation of the Eastern Partnership economies while pursuing the economic integration objective of the Eastern Partnership strategy.

The activities and results of the EU4Climate Project, presented in this final publication have laid a robust foundation which will enable not only a more ambitious climate action but also a more sustainable and resilient future for all citizens of the Eastern Partnership countries. The EU remains committed to supporting its Eastern neighbours with the necessary reforms and investments throughout this transformative process.

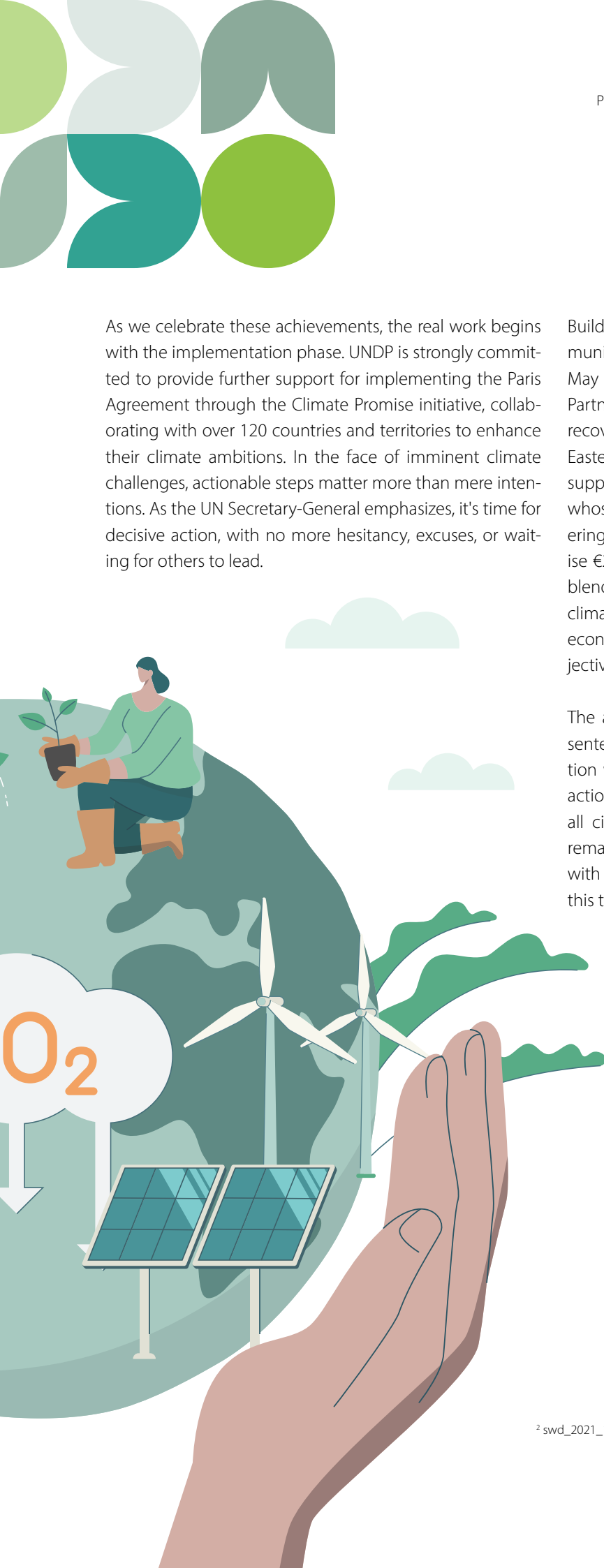
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² swd_2021_186_f1_joint_staff_working_paper_en_v2_p1_1356457_0.pdf (europa.eu)





EU4CLIMATE: BASIC FACTS

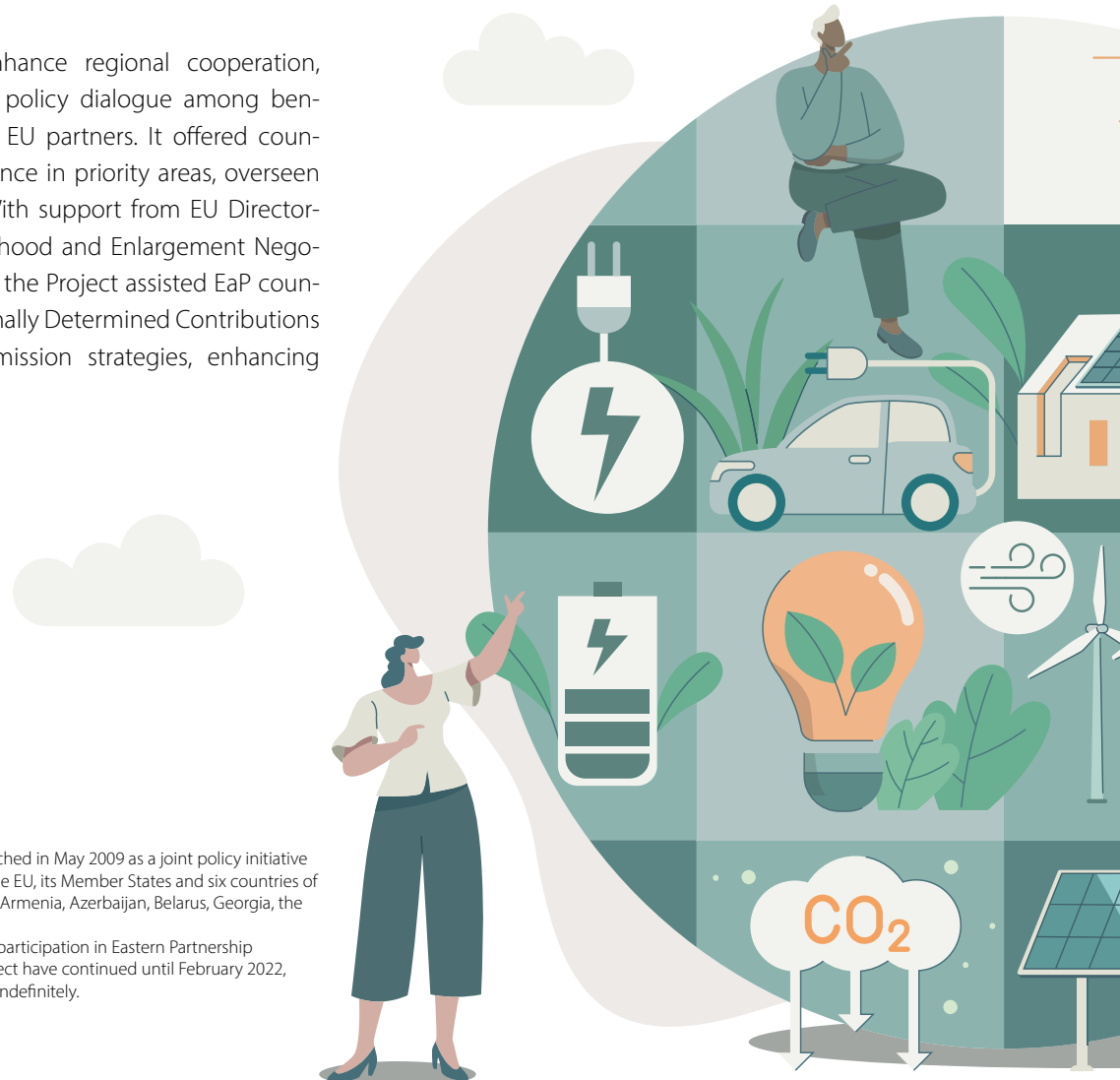
EU4CLIMATE sustained the development and implementation of climate policies in Eastern Partnership (EaP)³ countries—Armenia, Azerbaijan, Belarus⁴, Georgia, Moldova, and Ukraine. This aligned with their commitment to the 2015 Paris Agreement, promoting low-emission and climate-resilient development. The Project supported goals of the Paris Agreement, Eastern Partnership “20 Deliverables for 2020” and global goals of the UN 2030 Agenda for Sustainable Development. It also addressed priorities outlined in the Eastern Partnership Ministerial Declaration on Environment and Climate Change from October 2016.

Funded by the European Neighbourhood Instrument (ENI) East Regional Action Programme (2017) with EUR 8 million and co-financed by UNDP with EUR 800,000, the Project operated from December 2018 to December 2023.

EU4CLIMATE aimed to enhance regional cooperation, knowledge exchange, and policy dialogue among beneficiary countries and with EU partners. It offered country-specific technical assistance in priority areas, overseen by national coordinators. With support from EU Directorates-General for Neighbourhood and Enlargement Negotiations and Climate Action, the Project assisted EaP countries in updating their Nationally Determined Contributions (NDCs), developing low-emission strategies, enhancing

emissions measurement frameworks, aligning with the EU Acquis, integrating climate into various sectors, promoting climate investment, and adaptation planning.

The Project focused on establishing robust national greenhouse gas inventory systems, setting emission reduction goals, taking adaptation actions, integrating climate across policies, and creating policy and legislative frameworks. It supported the implementation of EU partnership agreements in relation to climate action and policy alignment with partner countries. As EaP countries have varying degrees of experience in these areas, the Project facilitated knowledge exchange through regional workshops and events involving experts from different countries and international institutions.



³ The Eastern Partnership (EaP) was launched in May 2009 as a joint policy initiative to enhance the cooperation between the EU, its Member States and six countries of Eastern Europe and Southern Caucasus: Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, and Ukraine.

⁴ In June 2021, Belarus have suspended participation in Eastern Partnership agreement, but activities under the Project have continued until February 2022, after which they have been suspended indefinitely.

CLIMATE POLICIES: UNFCCC COP28 CONCLUSIONS

At the COP28 UN Climate Conference in Dubai, nearly 200 countries have adopted the “UAE Consensus” that recognizes the need to transition away from fossil fuels to achieve net zero by 2050 in line with 1.5 degrees Celsius pathways and calls for tripling renewable energy and doubling energy efficiency by 2030, among other approaches.

COP28 concludes the first Global Stocktake under the Paris Agreement, which recognised that the world is not currently on track to reduce emissions by the necessary level to limit temperature increase to 1.5 Celsius. Therefore, Parties agreed on a pathway to get back on track, also by aligning their national targets and measures with the Paris Agreement. The goals of the Global Renewables and Energy Efficiency Pledge, championed by the European Commission, have been translated into the Global Stock-

take outcome; all Parties have committed to triple global renewable energy capacity and double the rate of energy efficiency improvements by 2030. The EU would invest €2.3 billion from the EU budget to support the energy transition in the European neighbourhood and around the globe, in the next two years.

There is also an agreement to tackle methane emissions and other non-CO₂ emissions in this decade, and to phase out as soon as possible inefficient fossil fuel subsidies that do not address energy poverty or the just transition. The EC President Ursula von der Leyen announced EUR 175 million financial support to reduce methane emissions.

COP28 also agreed on the final steps towards setting the new collective quantified goal on climate finance at next year’s conference. The setting of the framework of the Global Goal on Adaptation is a major step, and it is accompanied by ground-breaking decisions on adaptation finance with recognition that adaptation finance will have to be significantly scaled up beyond the mandated doubling for 2025.

The EU made a significant contribution to agreeing and operationalising a new fund responding to loss and damage, and the EU and its Member States have contributed more than €400 million, over two thirds of the initial funding pledges.

The next COP29 will take place in Baku, Azerbaijan, with an ambitious programme on finalising decisions on, among others, on the new collective quantified goal on finance, finance for adaptation, and operationalising of new loss and damage fund.



THE EASTERN PARTNERSHIP COUNTRIES

The Eastern Partnership (EaP) initiative is part of the European Neighbourhood Policy, aiming to strengthen ties between the EU and its six Eastern neighbours—Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine⁵

These countries are committed to ongoing regulatory reforms aligning with EU policies and building national capacities for implementing the Paris Agreement on Climate Change. The Paris Agreement, agreed upon in December 2015 and effective since November 4, 2016, is a global and legally binding agreement to combat climate change. Its main goal is to limit global warming to “well below 2°C” and pursue efforts to limit the increase to 1.5°C. Countries are expected to update their climate commitments (Nationally Determined Contributions or NDCs) every five years.

Nationally Determined Contributions serve as the central framework aligning national, subnational, and sectoral climate policies with development priorities and the Sustainable Development Goals (SDGs). The EU, UNDP, and other partners supported countries in preparing NDCs with direct technical and financial assistance.

The proposed regional action is crucial for all six countries, allowing knowledge transfer, learning, and cross-fertilisation of ideas as they strengthen climate policies and align with EU agendas. The EaP countries have experience from the earlier EU-supported ClimaEast program.

All six countries face challenges such as water and energy shortages, climate-related disasters, and heavy reliance on fossil fuels. Climate change is expected to increase pressure on natural resources and ecosystems. Transitioning to a low-carbon economy presents opportunities for economic growth, job creation, and environmental sustainability. The EU supports such transition, collaborating to address challenges and seize opportunities, and leading by example by setting high ambitions in the Green Deal, climate neutrality by 2050 and the Fit for 55 package.

The beneficiaries also confirmed the Project’s strong relevance to their national climate policies and EU alignment agendas, as they acknowledged limitations in institutional, administrative, technical, and financial capacities to fulfil commitments under the Paris Agreement and EU cooperation agreements, and to proactively promote national climate action.



⁵ Due to Belarus’ involvement in Russia’s unprovoked and unjustified military invasion of Ukraine, all Project’s activities in the country have been suspended until further notice. It is also worth noting that Belarus has suspended its participation in the EaP at the end of June 2021.





ARMENIA

With a population of around 3 million (2020), Armenia contributes as little as 0.02% to the total GHG emissions and is in the lower range of per capita footprint with 3.45 t CO₂e.

Climate change is already affecting Armenia, with an annual temperature increase higher than the global average and a significant decrease in precipitation, with the consequent worsening of desertification and land degradation. The most vulnerable sectors are agriculture, human health, water resources, forestry, transport, and energy infrastructure.

The EU relations with Armenia are based on the Comprehensive and Enhanced Partnership Agreement (CEPA), which entered into full force in March 2021. At the regional level, the EaP policy guides the EU's multilateral engagement with the eastern neighbourhood countries, including Armenia. Among other sectors, green connectivity, energy, environment, and climate are key priorities for the EU in Armenia.

EU4Climate in Armenia: key results

EU4Climate supported Armenia's commitment to update and enhance the country's NDC, with the ultimate goal to identify a realistic implementation strategy for the limitation of GHG emissions and prioritisation of adaptation measures for coping with risks to the country's sustainable development. The main tool for the successful implementation of the Armenian NDC, as well as the Climate Action SDG, is a long-term LEDS, including the development of energy and agriculture sectoral strategies.

A robust domestic MRV system has been established, to inform the government and the international community of the progress of its NDC implementation. Throughout the programme, the best international and EU practices are applied, including alignment with EU Acquis in accordance with the CEPA.

Implementation of EU4Climate activities started in Armenia in the second half of 2019, laying the foundation for assisting the country in the implementation of Armenia's commitments under the Paris Agreement.



AZERBAIJAN

With a population of around 10.3 million people (2022), Azerbaijan contributes only 0.15% of total GHG emissions, with 6.2 t CO₂e per capita (2019) without land use and forestry (LULUCF) activities, and 5.4 t CO₂e per capita with LULUCF.

Azerbaijan committed in its first Nationally Determined Contribution (NDC) to achieve a quantitative target of a 35% GHG emissions' reduction by 2030 compared to 1990. At COP 26 Azerbaijan announced a target of 40% GHG emission reduction by 2050.

The physical and geographical characteristics of Azerbaijan make it a highly sensitive country to the adverse effects of climate change. Extreme weather events, such as flooding, drought, heat stress, are expected to increase in frequency.

Azerbaijan has already set several policies to pursue low-carbon, climate-resilient development. Another important dimension of the EU4Climate project activities in Azerbaijan is the development of criteria to align Azerbaijan's legislation with EU standards and support the government in developing industry-specific guidelines. The NDC developed under the EU4Climate Project come to assist the achievement of this goal.

EU4Climate in Azerbaijan: key results

The EU4Climate supported Azerbaijan in its commitment to update and enhance the country's NDC, to build national capacities to integrate low-emission and climate-resilient actions into the national development plan as well as align climate change legislation with the EU standards.

Guidelines for a robust MRV system have been provided to inform the government and the international community of the progress of its NDC implementation. The Project has introduced concrete industry-specific guidelines for the implementation of the PA across various sectors of the economy, in particular agriculture and energy.

Implementation of EU4Climate activities started in Azerbaijan in the second half of 2019 and laid the foundation for systematic implementation of the requirements of the PA and the commitments of Azerbaijan under it.





BELARUS

With a population of around 9.5 million (2019), Belarus represents a relatively small portion, 0.18%, of total GHG emissions. In 2018, CO₂e emissions per capita for Belarus were 6.8 t, and though the indicator fluctuated substantially in recent years, it tended to increase. The carbon intensity of the economy in the period 1995-2012 decreased almost 4 times, making it the fastest rate of progress toward low-carbon development in Europe.

In Belarus, energy and agriculture are the two sectors with the largest GHG emission shares, and this is where most of the mitigation potential lies. The country was participating actively in the multilateral formats of the EaP. Through the EBRD-managed Eastern Europe Energy Efficiency and Environment Partnership, Belarus received access to €10 million for key Projects in energy efficiency and environmental protection.

EU support has helped to improve energy efficiency in several educational facilities and residential buildings. Bilateral dialogue on environment and climate action has taken place on an annual basis. Belarus is moving forward on its sustainable energy pathway, which is supported by the EU and international financing institutions.

UNDP was in the process of developing the National Adaptation Plan. However, following its involvement in the Russian Federation's military aggression against Ukraine, Belarus's participation in EU4Climate was suspended on 24 February 2022.

EU4Climate in Belarus: key results

The EU4Climate Programme aimed to help Belarus in meeting its commitments under the PA, by providing support to decision-makers and planners in preparing and adopting an enhanced NDC in 2020, and the required low carbon and climate-resilient development strategic documents for its implementation. Throughout the Project, the best EU practices were applied, including some alignment with the EU Acquis.

EU4Climate was registered by the government of Belarus in July 2020. The process of the NDC update was launched in 2020, with GHG emissions scenarios for the 2nd NDC prepared and with NDC adopted in 2021. LEDS was also launched. EU Acquis analysis launched with the support of the Environment Agency Austria (EAA). Two sectors for mainstreaming of climate change were chosen: energy sector and waste sector. Development process of NAP was launched but activities were stopped after the Russian invasion of Ukraine.





GEORGIA

With a population of around 3.73 million (2018), Georgia contributes 0.03% to the total GHG emissions and has a per capita footprint of 2.37t CO₂e.

The energy sector has the highest emissions (excluding Land Use and Forestry / LULUCF) followed by agriculture, production and industry, and waste.

Georgia is considered highly vulnerable to the effects of climate change, facing threats that include increased frequency and severity of droughts, flooding, and landslides.

Georgia has already committed to low-emission development and one of the main objectives of the government is to improve the country's preparedness and adaptive capacity by developing climate-resilient practices that reduce the vulnerability of highly exposed communities. The government regularly highlights this as a main priority. Georgia, as a developing country with limited capacity, needs additional support to its national efforts through international financial, technological, and capacity building support.

EU4Climate in Georgia: key results

The EU4Climate initiative has supported Georgia in elaborating its Long-Term Low Emissions Development Strategy (LT-LEDS), adopted in 2023 and mainstreaming climate in the sectoral strategies for energy, agriculture, and health.

Support for a robust domestic emissions MRV system has been provided to inform the government and the international community on the progress of the NDC implementation. Throughout the Project, the best EU practices have been applied.

The implementation of EU4Climate activities started in Georgia in the second half of 2019 and laid the footing for systematic implementation of the requirements of the Paris Agreement and the commitments of Georgia under it.



REPUBLIC OF MOLDOVA

With a population of around 2.59 million (2022), Moldova contributes as little as 0.03% to the total GHG emissions and is amongst the lowest range of the per capita footprint per region with 4.4 t CO₂e. The key emitter sectors in 2020 were energy, transport, agriculture, and waste.

The energy system in Moldova faces serious challenges, prompting a need to develop alternative sources of energy and secure an alternative energy import source, particularly given the unstable situation in Ukraine.

EU4Climate in Moldova: key results

The EU4Climate initiative has supported Moldova in updating its Low Emissions Development Strategy (LEDS) until 2030, and mainstreaming climate in the sectoral strategies on energy and waste. Improvements towards a robust domestic emissions MRV system have been provided to inform the government and the international community on the progress of the NDC implementation.

EU4Climate activities started in Moldova in the second half of 2019 and laid the footing for a systematic implementation of the requirements of the PA and the commitments of Moldova under it. Throughout the programme, the best EU practices have been applied, including some alignment with the EU Acquis such as the F-gases regulation, included in bilateral agreements and the Energy Community Treaty on Climate Action.





UKRAINE

On 24 February 2022, Russia launched a large-scale military invasion of Ukraine. The unprovoked and unjustified military aggression against Ukraine has caused severe human and physical damage, also heavily targeting the civilian population and civilian infrastructure nationwide. To respond to the humanitarian emergency caused by the war, the EU4Climate has been repurposing part of the Project's budget towards emergency response and addressing the immediate needs of the war-distressed population, complementing EU humanitarian assistance. Ongoing and planned activities of the EU4Climate Ukraine are being implemented as conditions allow.

The war in Ukraine has caused alarming cascading effects on a world economy already battered by COVID-19 and climate change, severely disrupting food, energy, and financial markets.

With EU4Climate support, policymaking and research will also contribute to building back Ukraine better, increasing its climate resilience, financing climate solutions and decreasing energy dependence on fossil fuels. Reconstruction of infrastructure and areas affected by hostilities should consider the restoration of the ecosystems' adaptability to climate change.

EU4Climate in Ukraine: key results

In Ukraine specifically, the EU4Climate's main components are the development of a National Adaptation Strategy and further mainstreaming climate change into the energy and transport sectors.

The best EU practices have been applied throughout the Project, including alignment with EU Acquis on Monitoring, Measurement and Reporting (MMR) and EU Governance regulation according to the bilateral agreements and the Energy Community Treaty on Climate Action.

The Implementation of the EU4Climate activities started in Ukraine in the second half of 2019, with some initial activities relating to the stock-taking, planning and development of a National Adaptation Strategy and aligning the national climate change legislation with the EU Acquis performed in 2019.



EU4CLIMATE IN THE REGION

Key results



RESULTS 1	RESULTS 2	RESULTS 3	RESULTS 4	RESULTS 5	RESULTS 6	RESULTS 7
NDCs and Financial Strategy	Low Emissions Development Strategies	Gap Analyses and Roadmaps	Legal Alignment and Green Deal	Climate Laws and Concepts	Climate Finance	Adaptation Agenda
Formulated NDCs in four countries.	Countries served as leaders in creating LEDs and pushing for climate neutrality by mid-century.	Conducted MRV gap analyses and roadmaps for national GHG inventory systems.	Worked on legal alignment (F-gases ODS, MMR/EU Governance, ETS Directive) implementing climate parts of EU partnership agreements and relevant parts of the Green Deal.	Developed climate laws and draft concepts in three countries.	Conducted a study on NDC and potential carbon finance in Armenia.	Helped formulate Ukraine's climate adaptation strategy.
Developed NDC financial strategy and investment plans in five countries.		Crucial work for the development of carbon markets.	Worked on strategy to reduce methane leaks in Ukraine, as part of COP 27 methane pledge.	Developed general concept to improve air quality monitoring in Armenia.	Executed a climate budget study in Azerbaijan and Georgia.	Provided methodological recommendations on climate risk and vulnerability analyses.
Developed SECAPs for municipalities.				Drafted laws on F-gases and ETS.		



Next Steps

Focus on implementation

- Normative and regulatory aspects of climate policies and legislation remain important.
- Moving from plans to action Countries identified key areas for further work and support:
 - Nature-based solutions in adaptation.
 - Preparation for carbon markets, establishing new carbon markets unit in the ministries.
 - Sustainable cooling agenda, addressing technical aspects and raising awareness.

Future Ambitions

In future, attention to climate agenda must remain the same with particular focus in the next phase of the Project on helping countries with the EU alignment, especially those on the enlargement track.

Further action should include follow up work to support green transition, enhancing decarbonisation, boosting energy security, and increasing resilience to impacts of climate change in the Eastern Partnership Countries.

Furthermore, pathways for the implementation of policies and measures contained in NDCs, LEDS and NAPs should be identified, supported by fully functional MRV and carbon pricing systems and enabled by the scaled-up sustainable finance.

Future steps should also continue to stress increased ambition of climate action, as well as focus on adaptation and preparation for carbon markets. The Project should continue to aid where necessary and mobilise expertise to identify right pathways for decarbonisation and resilience in all countries.

In general, activities in the second phase should focus on countries strengthening their climate and energy policies; introducing instruments to enable and enhance implementation of those policies; promoting knowledge-sharing and capacity development for them to be fully on track with their ambitious climate agenda.



Programme Structure

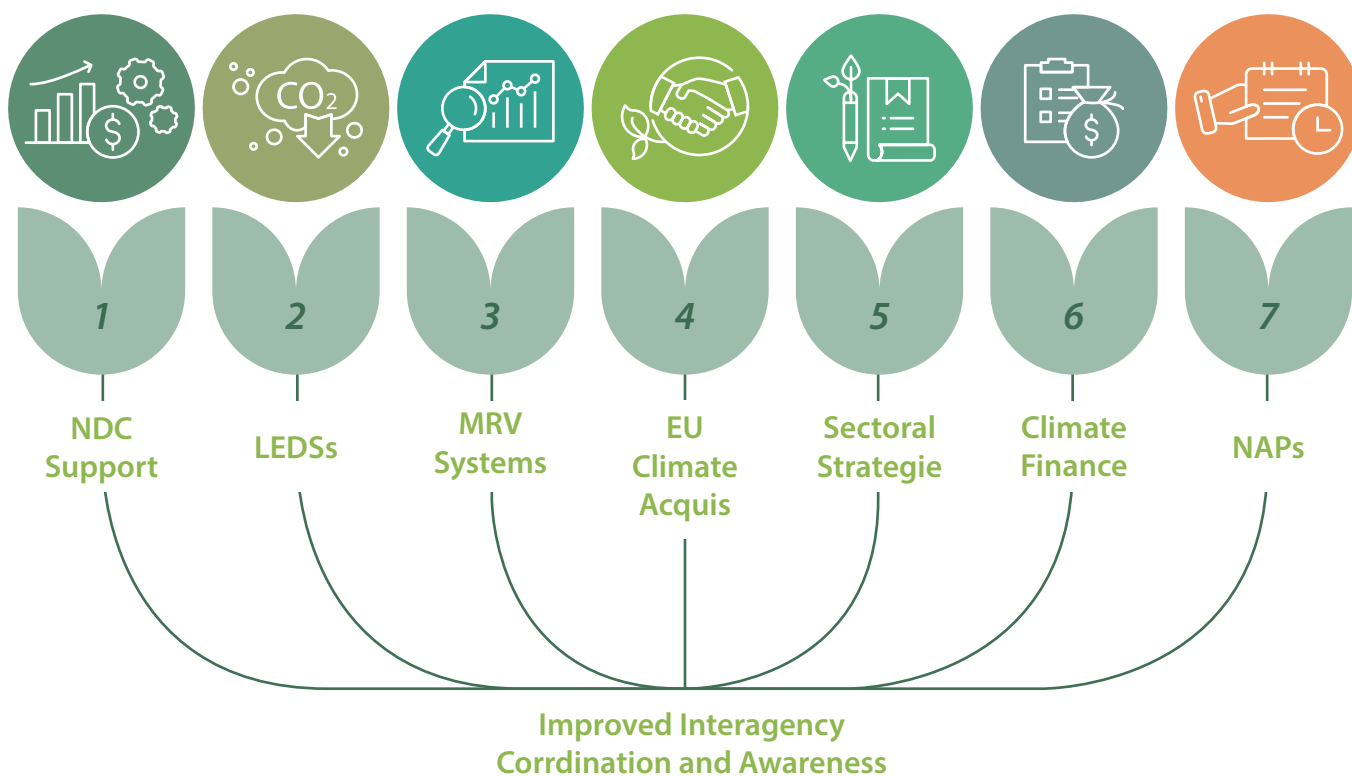
EU4Climate was designed to help governments in the six EU Eastern Partner countries (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, and Ukraine) to act against climate change and towards a low-emissions and climate-resilient economy. Funded by the European Union (EU) and implemented by UNDP, EU4Climate supports countries in implementing the Paris Agreement and improving climate policies and legislation with an ambition of limiting climate change's impact on citizens' lives and making them more resilient to it.

The programme consisted of 7 technical components (plus an emergency humanitarian action), with the following outputs/results:

1. Implementation and update of nationally determined contributions (NDC)
2. Development of national mid-century low-emission development strategies (LEDS)
3. Introducing or strengthening of robust emissions measurement, reporting and verification (MRV) frameworks
4. Alignment with the EU *Acquis*
5. Mainstreaming climate in other sectors, interinstitutional awareness and sectoral guidelines for implementing the Paris Agreement (PA)
6. Mainstreaming climate investment
7. Adaptation planning

Additionally, because of the Russian Federation's military aggression against Ukraine, and the involvement of Belarus, all ongoing or planned activities in Belarus have been suspended until further notice. The reallocated funding was used to address the immediate war-related needs of the Ukrainian central and local authorities and reduce the impact of the war on the distressed population of Ukraine and contribute to the green reconstruction of Ukraine.

PROJECT RESULTS



RESULT 1: Implementation and update of Nationally Determined Contributions (NDCs) to the Paris Agreement

Goal: Assist in completing and updating NDCs and national mid-century strategies and facilitate countries' submission to the UNFCCC.

Implementation Activities

- Conduct regional workshops on implementation and reporting.
- Support NDC implementation in Eastern Neighbourhood countries.
- Conduct awareness campaigns for various groups.

Country-specific Impact

- Helped Armenia, Belarus, and Moldova, to prepare their 2nd NDCs, all adopted and submitted to UNFCCC.

- Azerbaijan's updated NDC adopted in October 2023.
- In Georgia and Ukraine, focused on raising awareness and communicating revised NDC targets.

Public Awareness Efforts

- Conducted a national survey in Georgia (1,100 interviews) revealing high awareness of climate change impacts.
- In Ukraine, various awareness activities conducted, including presenting NDC objectives to the media.

Financial Strategies and Implementation Plans

- Provided support for developing NDC implementation plans and financial strategies in Armenia, Azerbaijan, Georgia, Moldova, and Ukraine.





RESULT 2: Development of national mid-century, long-term low greenhouse gas emissions development strategies (LEDS)

Goal: Complete and update LEDS and enhance awareness and cooperation on the PA and national commitments.

Implementation Activities

- Conduct regional training on LEDS development.
- Facilitate national technical discussions.
- Help develop long-term LEDS in Armenia, Azerbaijan, Belarus, and Georgia.

Country-specific Support

- Aided Armenia, Azerbaijan, and Georgia in drafting their LEDS.
- Involved scenario development, emission reduction analysis, stakeholder consultations, quality assurance and report writing.
- Supported Moldova in drafting its updated LEDS for 2030 and engaging stakeholders.
- Provided guidance to Belarus on overall LEDS development, including roadmap preparation.



RESULT 3: Introduction of robust domestic emissions monitoring, reporting and verification (MRV) frameworks and strengthening of the existing ones

Goal: Create or enhance systems for MRV of GHG emissions.

Purpose of MRV

- Essential for tracking and verifying a country's efforts to reduce emissions.
- Allows comparison with global standards.

Paris Agreement Compliance

- Helps Eastern Partners meet transparency requirements of the Paris Agreement.
- Advises beneficiary countries to invest in robust MRV systems for mitigation actions and direct funding.

Assistance Activities

- Assisted Armenia, Azerbaijan, Georgia, and Moldova in creating roadmaps and recommendations for developing national GHG inventory systems.
- Conducted a regional workshop and a visit to the European Environment Agency in Copenhagen.
- Evaluated existing MRV systems, proposed national MRV and trained experts.
- Provided training materials for governmental and private sector stakeholders on GHG inventories.





RESULT 4: Alignment with EU acquis included in bilateral agreements and Energy Community Treaty on Climate Action

Goal: Ensure EaP countries alignment with EU regulations as per bilateral agreements and the Energy Community Treaty on Climate Action.

Assistance Activities

- Created roadmaps and recommendations for all EaP countries.
- Conducted workshops on EU policies and legislation in each country.
- Analysed national laws and fiscal policies.
- Provided updates to DG NEAR, DG CLIMA and EU Delegations.



RESULT 5: Mainstreaming climate into other policy sectors and sectoral guidelines for the implementation of the Paris Agreement

Goal: Integrate climate considerations into different policy areas.

Climate Change Impact

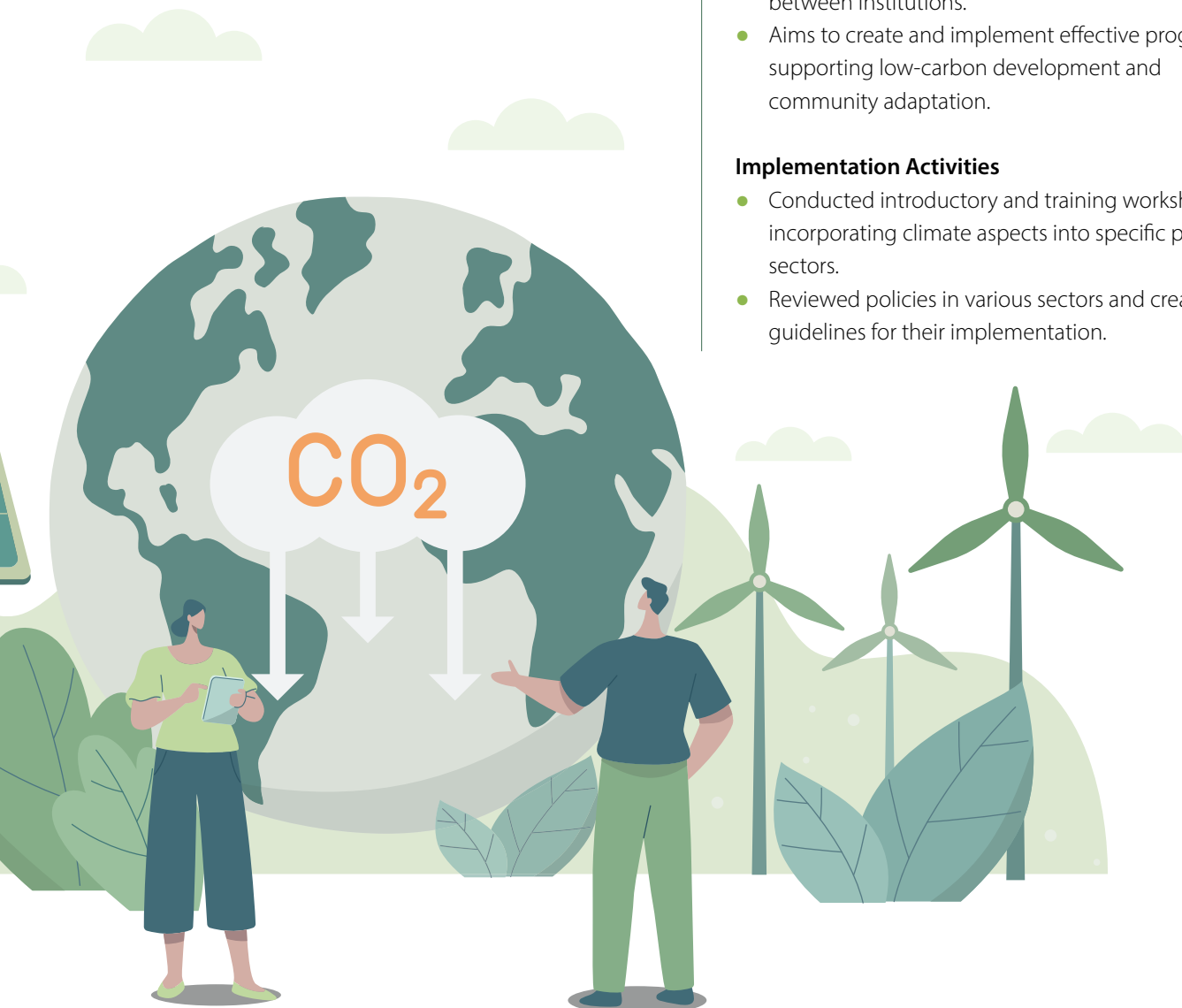
- Caused by GHG emissions from sectors like energy, industry, agriculture, transport, and waste management.
- Affects economies, environment, health, biodiversity, energy and food systems, land use, and overall well-being.

Approach to Address Climate Change

- Involves integrating climate concerns into policies, financing, legislation, and fostering collaboration between institutions.
- Aims to create and implement effective programs supporting low-carbon development and community adaptation.

Implementation Activities

- Conducted introductory and training workshops on incorporating climate aspects into specific policy sectors.
- Reviewed policies in various sectors and created guidelines for their implementation.





RESULT 6: Climate Investment

Goal: Increase the flow of climate finance by developing viable Projects for countries' climate commitments (NDCs) and enhance governments' capacity to allocate funds for climate-related purposes.

Climate Change Challenge

- Address climate change, economic activities need to shift to a low-carbon path.
- Challenge for the financial sector to redirect investments from traditional carbon-heavy industries to cleaner options.

Balanced Initiatives

- Climate change solutions require a balanced blend of initiatives and actions.
- Effective incentives needed for adopting climate-friendly technologies.

Private Sector Involvement

- Active participation from the private sector, including global corporations, small and medium-sized businesses, and households, is crucial.
- They contribute significantly to climate-focused investments.

Promoting Energy Efficiency Investments

- Various financial instruments and solutions, such as loans, stocks, grants, and risk reduction measures, are essential.
- Project activities include monitoring climate-related spending, regional forums, training for Project development, workshops on climate finance frameworks, and pilot studies on budgeting for climate expenses.



RESULT 7: Adaptation Planning

Goal: Develop an adaptation plan.

Activities

- Develop national adaptation strategies.
- Enhance governments' capacity for adaptation planning.

EU4 Climate Project Assistance

- Assisted EaP countries with national adaptation planning.
- Adopted national and sector-specific adaptation plans.
- Shared knowledge on planning and organized workshops with authorities involved in the planning process.

Importance of Adaptation Strategies

- Many countries worldwide have made significant strides in creating laws and regulations for climate change adaptation.
- Adopting climate change adaptation strategies is a crucial step to initiate and comprehensively address adaptation processes at the national or regional level.





Assistance to war impacted population of Ukraine

Following Russia's aggression in February 2022, EU4Climate Steering Committee redirected Project resources for emergency response efforts.

Revised Plan in Ukraine

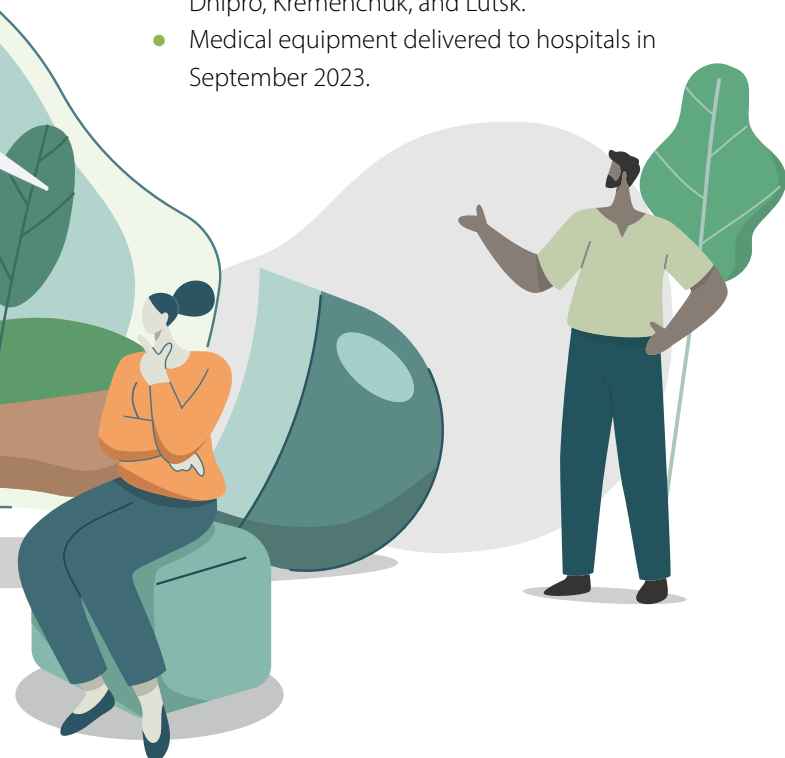
- Activities to address humanitarian needs in Ukraine.
- Procuring medical equipment, supporting internally displaced people (IDPs), and assisting affected municipalities.

Emergency Support for IDPs

- Frankfurt Zoological Society focused on emergency support for IDPs, especially in the Carpathian region, including provision of food and hygiene products.
- Number of IDPs remained stable, and accommodations already in place.
- Emphasis shifted to providing essential goods instead of housing equipment.

Infrastructure and Medical Equipment Procurement

- The Association of the Energy Efficient Cities of Ukraine purchased 12 generators for various communities.
- Ministry of Health agreed to procure negative pressure wound therapy equipment for hospitals in Dnipro, Kremenchuk, and Lutsk.
- Medical equipment delivered to hospitals in September 2023.



Project visibility and communication

Communication Strategy

- EU4Climate strategically communicated goals and emphasised climate action and EU policies. A guide ensured consistent branding and visibility approval.

Workshop and Plan

- Workshop in 2019 set communication objectives.
- Communications and Visibility Plan developed and was updated annually.

Online Communication

- Main communication online channel started with the launch of the website www.eu4climate.eu in September 2020 with a press release across six EaP countries. To date, the website has received over 100,000 visitors with about 250,000 visits.
- Websites, social media pages of EU Neighbours, UNDP country offices were used for awareness raising and promotion of main events and results of the Project.

Engagement Activities

- Stories, videos, press releases, social media campaigns, EU Green Week, Europe Day, EU Energy Week used to engage stakeholders, and share information on Project website and partner sites.

Newsletters

- Quarterly and specially issued newsletters highlighting activities and achievements.
- Key audiences, including governments, youth, private sector, municipalities, and media, received updates through various channels.

Adaptation to Pandemic

- Events adapted to pandemic restrictions. Celebrated milestones targeting national audiences with a focus on youth and rural areas.

Visual communication

- Photo stories, videos covering events and specific topics/results, etc.





KEY ACHIEVEMENTS

RESULT 1

Implementation and update of Nationally Determined Contributions (NDCs) to the Paris Agreement

1.1 OVERVIEW

Under the Paris Agreement, countries must create plans to cut greenhouse gas emissions. These plans, called Nationally Determined Contributions (NDCs), must be shared with the United Nations every five years. Each new NDC should be more ambitious than the previous one.

In 2021, all Eastern Partnership (EAP) countries except Azerbaijan updated their NDCs. Azerbaijan finalised and adopted its NDC in September 2023. In 2023, the focus shifted to helping these nations put their NDCs into action by creating roadmaps and strategies. They also needed financing for Projects connected to their NDCs to move towards a greener economy.

To set their 2030 goals, these countries examined their past emissions, looked at various sectors, considered economic development, and calculated emission scenarios. Some common features of their NDCs include:



1. All countries set targets for 2030 to reduce emissions compared to a specific year.
2. All countries, except Georgia, included the Land use, land-use change, and forestry (LULUCF) sector in their targets.
3. Except for Azerbaijan and Armenia, all countries had both unconditional and conditional targets.
4. All countries consulted with stakeholders when creating their NDCs.
5. None of the countries detailed specific targets and measures for adapting to climate change.
6. Ukraine's NDC aims to achieve carbon neutrality by 2050.
7. Moldova set the highest target, aiming to unconditionally reduce net GHG emissions by 70%, and up to 88% conditionally.

The Energy Community (EnC) assisted Ukraine, Moldova, and Georgia in aligning with European Union (EU) regulations related to energy, the environment, and climate. The Project ensures that such regulations are aligned with these countries' efforts to cut greenhouse gases and their long-term strategies for eco-friendly development.

During the Project, the EnC mainly focused on updating the roadmaps for implementation of EU agreements, as well as carrying out gap analysis of the national climate policies and legislation and alignment with the EU's, particularly the EU Governance Regulation and Green Deal. Parties to the EnC (Georgia, Moldova, and Ukraine) also have obligations under the EnC Treaty to prepare National Energy and Climate Plans (NECPs). These plans outline how countries will reduce carbon emissions and enhance energy efficiency. They cover various areas like clean energy, energy markets, security, research, and innovation, and they aim to incorporate energy and climate considerations into sectoral policies.



1.2 SUMMARY OF UPDATED NDCS WITH NEW EMISSION REDUCTION TARGETS



Country	NDC version	Submission date	Time frame	Objective	Mitigation target (base year)
ARMENIA	INDC	23 Mar 2017	2015-2030	annual average of 5.4 t CO ₂ eq per capita	NA
	Updated NDC	5 May 2021	2021-2030	40% reduction compared to 1990 level with and without LULUCF	-40% (1990)
AZERBAIJAN	INDC	9 Jan 2017	2021-2030	35% reduction compared to 1990 level	-35% (1990)
	Updated NDC	10 October 2023	2021-2030	35% reduction compared to 1990 level	-35% (1990)
BELARUS	INDC	21 Sep 2016	2021-2030	at least 28% reduction compared to 1990 level	-28% (1990)
	Updated NDC	Draft	2021-2030	Conditional: 40% reduction compared to 1990 level with LULUCF	-40% net (1990)
				Unconditional: 35% reduction compared to 1990 level with LULUCF	-35% net (1990)
GEORGIA	INDC	8 May 2017	2021-2030	Conditional: 25% reduction below BAU scenario = -40% compared to 1990 levels	-40% (1990)
				Unconditional: 15% reduction below BAU scenario	-32% (1990)
	Updated NDC	5 May 2021	2021-2030	Conditional: -50-57% of its total greenhouse gas emissions by 2030 compared to 1990	-53% (1990)
				Unconditional: 35 % below 1990 level of its domestic total greenhouse gas emissions by 2030	-35% (1990)
MOLDOVA	INDC	25 Sep 2015	2021-2030	Conditional: up to -78% compared to 1990 by 2030	-78% net (1990)
				Unconditional: -64-67% compared to 1990 by 2030	-65% net (1990)
	Updated NDC	4 March 2020	2021-2030	Conditional: up to -88% compared to 1990 by 2030	-88% net (1990)
				Unconditional: -70% compared to 1990 by 2030	-70% net (1990)
UKRAINE	INDC	19 Sep 2016	2021-2030	It will not exceed 60% of 1990 GHG emissions level in 2030	-40% (1990)
	Updated NDC	31 Jul 2021	2021-2030	Economy-wide net domestic reduction of 65 % in GHG emissions by 2030 compared to 1990.	-65% net (1990)

1.3 ACHIEVEMENTS



●	ARMENIA	Armenia has completed their NDC Financing Strategy and Investment Plan, established a National Programme for Energy Saving and Renewable Energy spanning 2021-2030, and conducted a Carbon Pricing Study.
●	AZERBAIJAN	The NDC was submitted to UNFCCC in October 2023. NDC Finance Plan cancelled.
●	GEORGIA	Work on the National Energy and Climate Plans until 2030 continued, aligning targets with the updated NDC. The NDC Financing Strategy and Investment Plan were also completed and published in November 2022. In addition, NDC Budgeting and Investment Tagging to support the financing strategy were developed. In Q2 of 2023, UNDP Georgia prepared a partnership agreement with the Energy Efficiency Centre Georgia. They aim to create two SECAPs for newly joined Covenant of Mayor’s signatories and develop potential bankable Projects.
●	MOLDOVA	Three draft SECAPs for Cahul municipality, Giurgiulești, and Valeni were developed in 2023.
●	UKRAINE	Work on an NDC Implementation Roadmap, a Financing Strategy, and an Institutional Reform Approach has been carried out. In 2023, UNDP in Ukraine has collaborated with the Ministry of Environmental Protection and Natural Resources to support NDC implementation based on current needs. EU4Climate supported communicating the NDC targets with a promotional video developed in 2023.





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EU4Climate SUCCESS STORY

Study on “NDC Financing Strategy and Investment Plan” in Armenia

Armenia, 26 May 2022 – A national workshop took place to discuss the findings of the EU4Climate Project’s study on NDC Financing Strategy and Investment Plan in Armenia, funded by the EU and executed by UNDP. The study aimed to identify financing options and create a plan to implement NDCs, aligning with the UNFCCC’s 2021-2030 targets.

Around 63 representatives from government offices, private sector, NGOs, and UNDP, talked about climate financing, resource mobilisation and climate investment Projects, covering topics like climate finance in Armenia, financial gaps, GHG emissions sectors, sources of climate financing, innovative debt instruments, multilateral and bilateral finance, and more. Participants raised questions about analysing the transport sector and addressed climate mainstreaming in budgeting, legal framework, institutional capacity building, gender mainstreaming, climate actions, investment programs, and financial needs.

Deputy Minister of Environment, **Gayane Gabrielyan**, stressed the importance of the Financing Strategy and Investment Plan for achieving Armenia’s climate goals. She mentioned the involvement of various sources, both domestic and international, public, and private.

Hovhannes Atabekyan and **Gor Ghazaryan** from EV Consulting presented the study’s structure and findings.

Aneta Babayan, Advisor to the Deputy Prime Minister, shared planning activities related to the discussion topics and mentioned the EU4Climate Project’s activities.

Diana Harutyunyan, UNDP Climate Change Programme Coordinator, summarized the workshop’s key points and proposed creating a protocol to share with participants. Their feedback will help amend the draft report to support the Government’s climate financing decision.



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1.4 KEY NEEDS AND FUTURE STEPS

To enhance NDC implementation in Eastern Partnership countries, there are key areas that future Projects should focus on, categorised by Project results.

- **Strengthening coordination:** it is crucial to improve coordination among various country actors, including collaboration between political and technical institutions related to the Paris Agreement and national commitments. To effectively address climate change, countries need robust GHG inventory systems, efficient measures, clear goals, adaptation actions, integration of climate actions into all policy sectors, and suitable legislative and institutional frameworks. Establishing coordination mechanisms between government agencies can enhance cross-sectoral policies.
- **Aligning NDCs/NAPs with Green Climate Fund requirements:** This is vital for developing economies in the EAP to access GCF funding. To achieve such alignment NDCs must include ambitious goals, focus on adaptation, gender and social inclusion, and public-private collaboration.
- **Climate Budget Tagging (CBT):** In 2022, the EU-4Climate Project assessed the institutional capacity in EAP countries. Limited capacity for budget allocation at national and sector levels and inadequate finance management for climate-related efforts were identified. To address these issues, implementation of a CBT procedure for sectoral and public budgets was recommended. By 2023, significant progress had been made in implementing CBT, with finalised reports in Armenia, Georgia, and Moldova. However, achieving a comprehensive shift towards a climate-compatible future is complex, especially because successful CBT implementation requires functional financial management and reporting systems for climate-related activities beyond CBT. Additionally, CBT needs to be integrated into climate finance governance. This involves developing methods and guidelines for identifying climate-relevant actions, estimating costs and expected outcomes, and introducing performance indicators to measure impact. Such challenges were common across all countries, indicating the ongoing need for Project support to strengthen their capacity for effective climate finance leveraging and budget allocation accountability systems.



1.5 CONCLUSIONS

After five of the six EaP countries submitted their updated NDCs to the UNFCCC in 2021, the Project work in 2022 focused on supporting the implementation of NDCs. Azerbaijan's updated NDC was submitted to the UNFCCC in October 2023. The Project in 2022/23 took a multi-pronged approach, which included work on NDC Implementation Plans, NDC Finance Strategies and Institutional Reform.

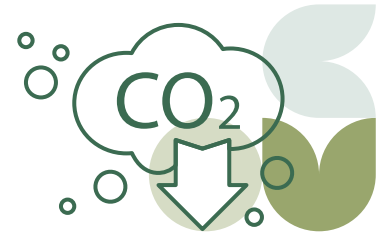
To enhance countries' ability to access climate finance aligned with their needs, especially for NDC implementation, direct access is crucial. Currently, only Armenia has active direct access through the Environmental Project Implementation Unit of the Ministry of Nature Protection.

Expanding direct access to public or commercial financing institutions would be preferable, as they can support larger-scale programs.

Supporting the accreditation of financial institutions for climate finance could significantly help Eastern Partners access financial support for their NDC implementation. In Ukraine, similar support could assist in establishing and operating funding instruments for NDC-aligned Projects, particularly in energy efficiency (thereby increasing their capacity to raise finance.)







RESULT 2

Development of national mid-century, long-term low greenhouse gas emissions development strategies (LEDS)

2.1 OVERVIEW

All beneficiary countries of the EU4Climate Project are parties to the UNFCCC and have signed the Paris Agreement. Article 4.19 of the Paris Agreement asks Parties to prepare long-term low greenhouse gas emission development strategies (LT-LEDS). Reporting on these is not mandatory. Currently, Ukraine is the only EaP country to have submitted its LT-LEDS to the UNFCCC.

Designing and implementing low emission development pathways requires a good understanding of the specific national situation as there is no 'one-size fits all approach'. Phasing out fossil fuels is one of the key priorities, but there is also methane, a greenhouse gas which has much larger impact and stays much longer in the atmosphere. Nitrous oxide or fluorinated gases have even worse greenhouse effect on the atmosphere. Therefore, countries need to know where climate mitigation is most effective and develop their policies and measures along these lines.

2.2 SUMMARY OF ACTIVITIES

The EU4Climate Project assisted Georgia, Armenia, and Azerbaijan in preparing their LEDS, which include the development of scenarios, analysis of mitigation options, carrying out consultations, quality assurance and control, report writing, consultation etc. Moldova was supported in developing the updated LEDS 2030 and carrying out the stakeholder consultation. Belarus received guidance on the overall LEDS development including the preparation of a roadmap. Ukraine had already prepared its long-term strategy before the EU4Climate Project started.

The EU communicated its LEDS in 2020, committing to climate neutrality by 2050. This will be achieved through the implementation of the 'European Green Deal', which already resulted in an amendment of climate, energy, transport, and taxation policies to also prepare for meet-

ing the intermediate target of reducing net GHG emissions by at least 55% by 2030, compared to 1990 levels.

Within the EU4Climate Project, the EU also helped Eastern Partners to align their policies with global and European ambitions, get on a low emission development pathway and enable a just transition. LEDS in all countries are covering the whole geographic area and include all sectors.

Georgia has presented its LT-LEDS until 2050 in July 2023; Moldova has approved an updated LEDS until 2030 by a government decision in September 2023. Finalisation of LT-LEDS' in Armenia and Azerbaijan is anticipated by the end of 2023. In all countries LEDS are focusing on mitigation, and adaption goals or adaption development plans are not part of LEDS but treated in separate processes and documents.



2.3 ACHIEVEMENTS



	ARMENIA	AZERBAIJAN	GEORGIA	MOLDOVA	UKRAINE
STATUS OF LEDS	Finalised	Finalised	Adopted in 2023	Adopted in September 2023	Finalised in 2017
RESPONSIBLE ENTITY	Ministries for Environmental Affairs				
GEOGRAPHIC COVERAGE	Whole country/economy wide				
SECTOR COVERAGE	All IPCC sectors incl. LULUCF				
GHGS COVERAGE	All GHGs (CO ₂ , N ₂ O, CH ₄ , F-gases)				All except F-gases
TIME FRAME	2050	2050	2050	2030	2050
AMBITION LEVEL	Climate neutrality by 2050	Climate neutrality	Climate neutrality by 2050	-70% unconditional -88% conditional By 2030	Climate neutrality by 2060
INTERMEDIATE TARGETS	2030 & 2040	2030 & 2040	Trajectories until 2050	2050	Sectoral trajectories until 2050
STAKEHOLDER CONSULTATION	Yes, carried out				
ADAPTATION	Not included, dealt with in a separate process				
MONITORING CONCEPT	Mechanism is/will be established				





EU4Climate SUCCESS STORY

Setting stage for carbon-neutral future: Georgia presents Long-Term Low-Emission Development Strategy

Georgia, 15 July 2023 – The Government of Georgia unveiled its first Long-Term Low Emission Development Strategy (LT-LEDS) 2050. This strategy outlines Georgia's path towards becoming carbon-neutral and plays a key role in updating the national Climate Action Plan 2023-2025, providing a clear roadmap for sustainable, low-emission growth.

The LT-LEDS follows the principles of the Paris Agreement and considers Georgia's unique circumstances. It offers essential guidance on reducing greenhouse gas emissions and presents priority measures for various sectors, including energy, buildings, transportation, industry, agriculture, waste, land use, and forestry. Developed in collaboration with government agencies and civil society partners, the EU and UNDP have provided significant support to create this landmark document. Through their regional EU4Climate program, they offered technical assistance, consultancy, and expert support to align Georgia's LT-LEDS with the best practices of EU Member States.

Otar Shamugia, Minister of Environmental Protection and Agriculture of Georgia, emphasised the country's strong commitment to addressing climate change and ensuring a sustainable future. The LT-LEDS represents a crucial step toward carbon neutrality, guiding efforts to build a climate-resilient economy and protect the environment.

H.E. Pawel Herczynski, EU Ambassador to Georgia, commended Georgia for adopting the Long-Term Low Emission Development Strategy and looked forward to further collaboration in its implementation.

Nick Beresford, UNDP Resident Representative in Georgia, recognised this as a significant milestone for Georgia's sustainable development and pledged continued support for the country's climate goals.

Additional speakers at the event included government officials and experts from various fields.

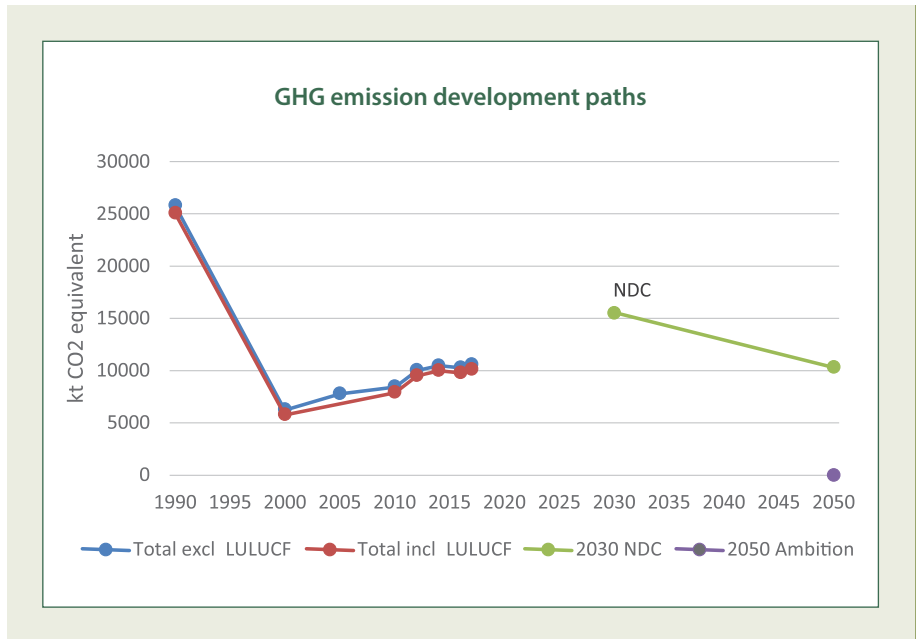


2.4 KEY NEEDS AND FUTURE STEPS



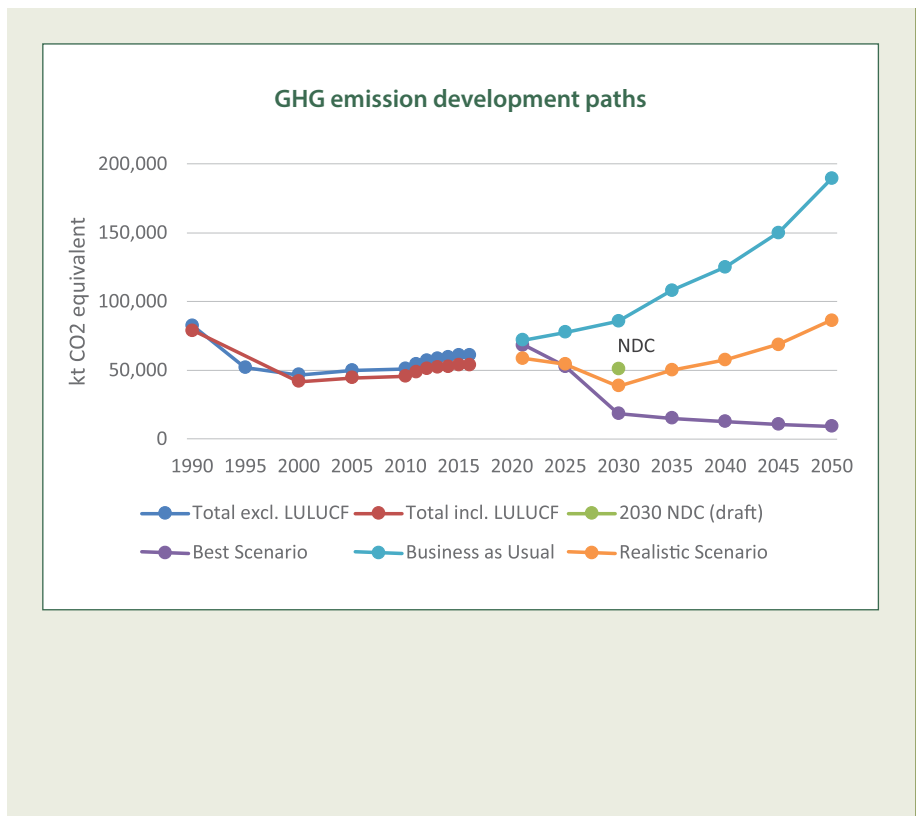
ARMENIA

The goal set in the NDC is to reduce emissions by 40% compared to 1990 levels by 2030. To meet these NDC targets, emissions can increase until 2030 but must then decrease to about current levels by 2050. This calculation assumes that the population will reach 5 million by 2050, compared to the current 3 million inhabitants. The ongoing development of the LEDS will provide scenarios on how to achieve climate neutrality by 2050. It is essential to reach the emission peak soon to avoid drastic reductions at a later stage.



AZERBAIJAN

In 2021 Azerbaijan, with support from the EU4Climate Project, created a strategy for low-carbon, long-term development. An external consultant explored ways to reduce carbon emissions until 2080, considering all emission sources and sinks. Three scenarios were examined, and the most optimistic one could achieve net-zero emissions by 2081. The graphic on the right illustrates historical GHG emissions, including removals, updated NDC target, and Projections until 2050, highlighting that Azerbaijan must work towards achieving its “best scenario” by implementing further measures. The IEA has developed a roadmap to help the country plan for sustainable, long-term energy use.



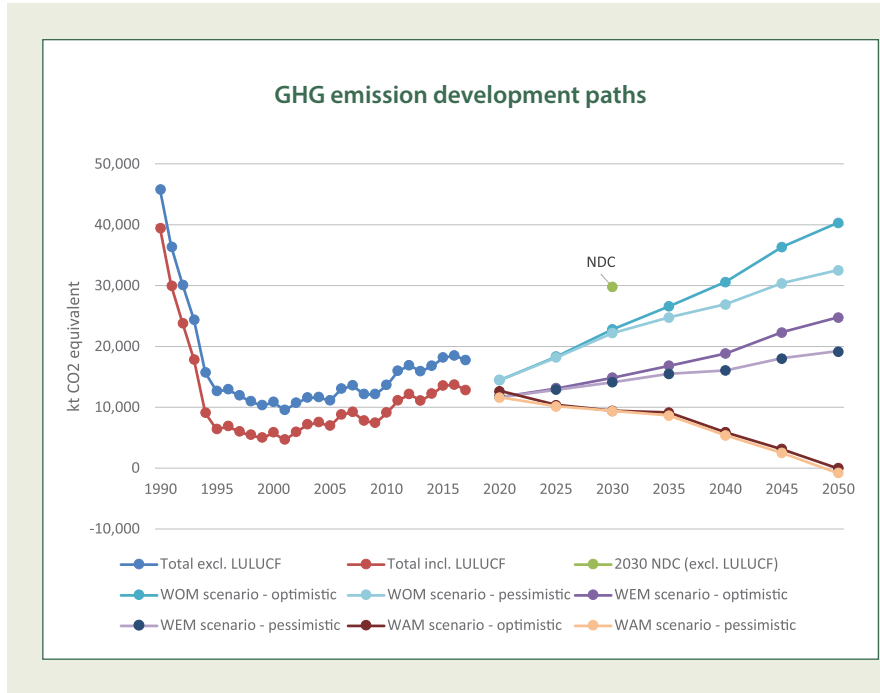
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KEY NEEDS AND FUTURE STEPS



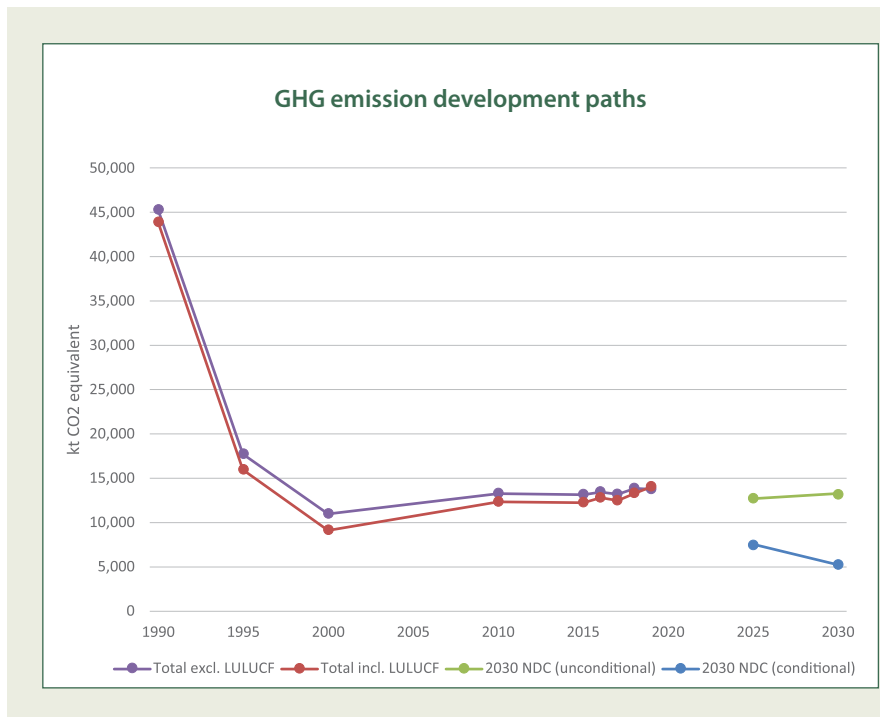
GEORGIA

Georgia's long-term low emission development concept was approved in December 2022, and it sets "climate neutrality" by 2050 as the country's goal. It also explores different ways to reduce emissions, considering various policy scenarios and outlining the path to achieving climate neutrality by 2050 is unlikely with existing measures and will require additional efforts. This ambitious goal necessitates climate action across all sectors and levels of the economy, alongside international technical and financial support.



MOLDOVA

Moldova's updated LEDS 2030 is designed to help achieve the goals for reducing greenhouse gas emissions set in the updated NDC, submitted to the UNFCCC in 2020. It has a timeframe until 2030, but if the NDC is enhanced, the LEDS will also be updated. The main goal of the 2030 Low Emissions Development Program aligns with NDC2 and aims to cut GHG emissions by 70% unconditionally and by 88% conditionally compared to 1990 levels. These objectives could have been more ambitious if there were financial support from international donors, technical assistance, and technology transfers.



KEY NEEDS AND FUTURE STEPS

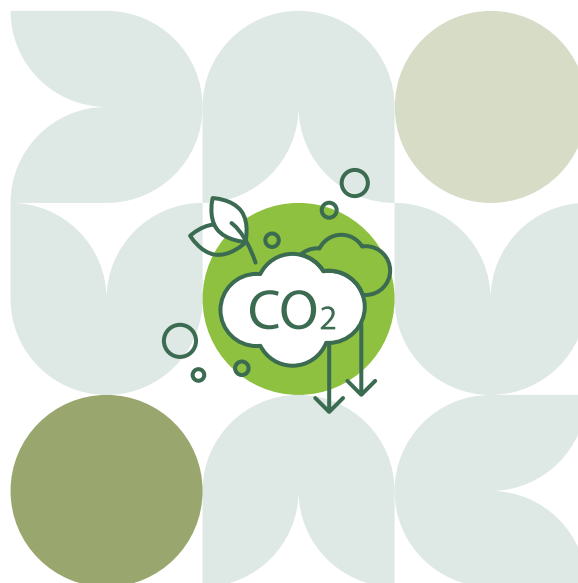
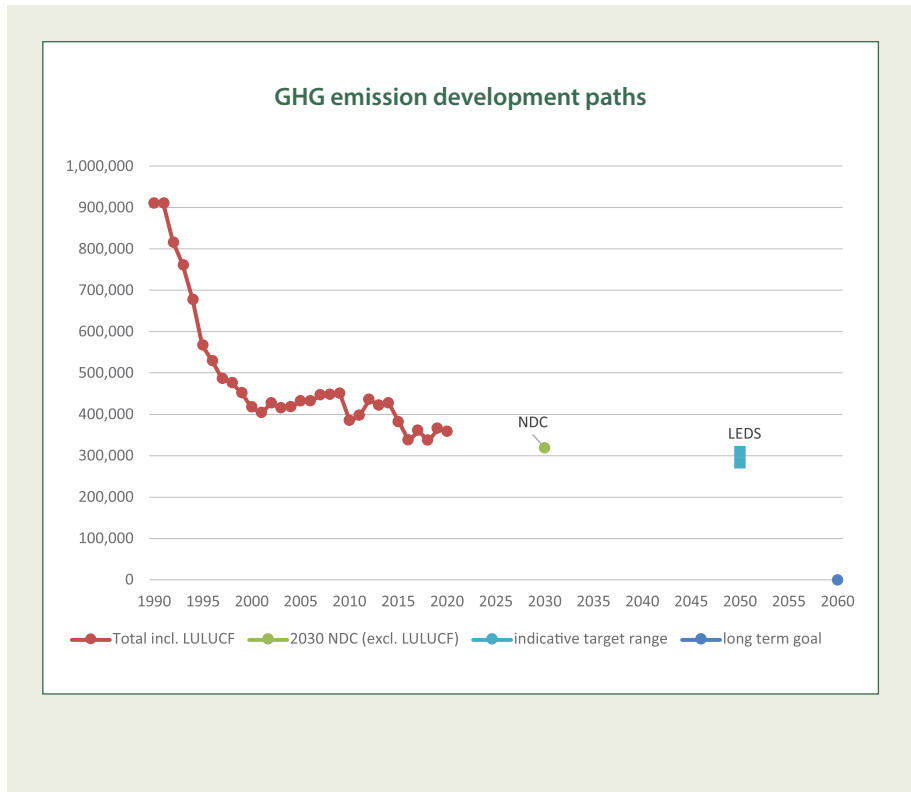


UKRAINE

In Ukraine, plans aim to achieve three main goals:

- Shift towards low-carbon energy sources and boost clean electricity and heat production.
- Improve energy efficiency and conservation in all economic sectors and housing.
- Encourage the adoption of alternative motor fuels and cleaner modes of transportation.

Plans also aim to increase carbon absorption, implement climate-friendly practices in agriculture and forestry, and reduce GHG, especially from methane gas, nitrogen oxide, fossil fuel production, agriculture, and waste.



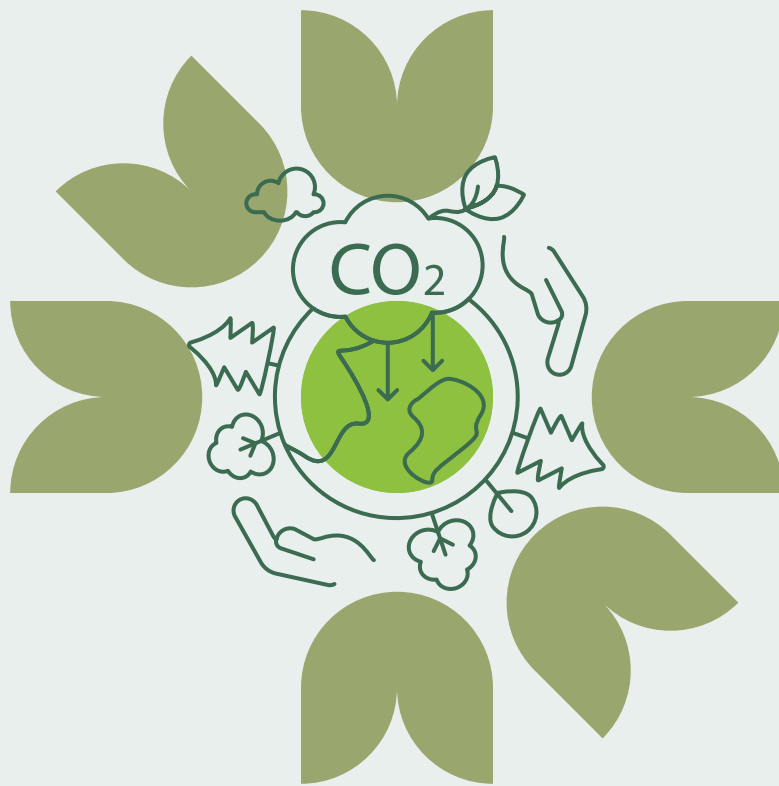
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2.5 CONCLUSIONS



●	ARMENIA	LEDS evaluates the financing framework, covering various international and national financing options such as green bonds, loans, and funds, and identifies potential financing institutions. It also breaks down financing needs and sources by sector.
●	AZERBAIJAN	LEDS includes recommendations for integrating gender equality into sectoral policy planning and implementation, emphasising the role of women in energy, transport, AFOLU, and waste management sectors.
●	GEORGIA	The country conducted a sensitivity analysis to assess how uncertainties in key drivers like population and GDP could impact emission scenarios. It provides both pessimistic and optimistic Projections for the baseline scenario in various sectors, offering a range of development pathways.
●	MOLDOVA	LEDS assesses progress towards meeting GHG emission reduction targets set for 2020, comparing sectoral and total GHG emissions against inventory data. This includes target revisions and the planning of additional policies and measures at the sector level.
●	UKRAINE	Ukraine stands out in the region for its proactive approach, as its LEDS was already developed in 2017, outlining a pathway until 2050. It was submitted to the UNFCCC in 2018.







RESULT 3

Introduction of robust domestic emissions monitoring, reporting, and verification (MRV) frameworks and strengthening of the existing ones

3.1 OVERVIEW

Monitoring, Reporting, and Verification (MRV) of GHG emissions is a crucial tool in the fight against climate change. MRV refers to the methods countries use to collect data on emissions, actions to reduce emissions, and support for these efforts. To track a country's progress in reducing emissions and compare it with global efforts, it is vital to have an MRV system that follows the same principles as other nations.

The "MRV" acronym represents three key principles:

- **Measure (M):** Collect data on emissions, actions to reduce emissions, and support. This involves measuring GHG emissions, estimating emissions reductions, calculating changes related to sustainable development, and gathering information on support for climate change mitigation.
- **Report (R):** Compile this information in standardized formats, making it accessible to various users and facilitating public disclosure.
- **Verify (V):** Periodically review the reported information independently to ensure completeness, reliability, accuracy, and compliance with established procedures, offering feedback for improvement.

MRV can be applied to GHG emissions at national, organizational, or facility levels and reported through emissions inventories. It can also be applied to assess the effects of mitigation actions or support tools, such as climate finance and technology transfer.

This gap analysis focuses on MRV of GHG emissions at the national level. The foundation of an MRV system is GHG emissions reporting, which includes data on emissions development, published in the National Inventory Report (NIR). In the NIR, a country provides information about the trends in GHG emissions from different source and sink categories, following guidelines from the Intergovernmental Panel on Climate Change (IPCC). This international framework, binding to all parties to the UNFCCC, helps compare emissions timelines between countries and provides a global view of emissions.

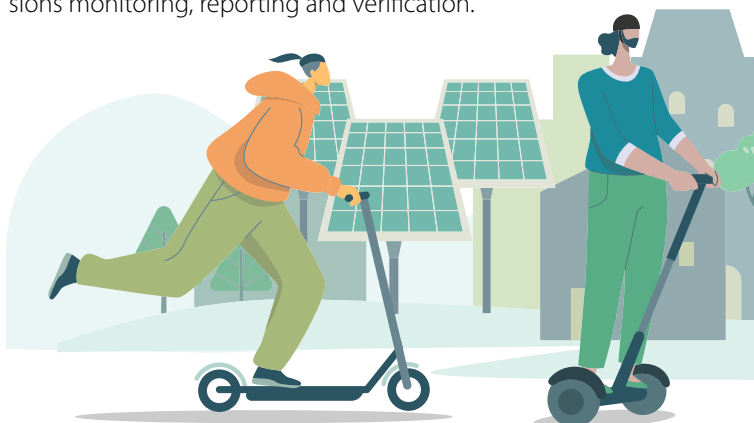
3.2 SUMMARY OF ACTIVITIES AND ACHIEVEMENTS

The Project made good progress in developing national inventory systems and MRV approaches with a regional framework approach. Each of the beneficiary countries, including Armenia, Azerbaijan, Georgia, and Moldova, customized their MRV systems based on their needs and feedback from stakeholders.

They benefited from various activities:

- Regional workshops and training events helped government representatives and GHG inventory experts learn about MRV frameworks and international climate policies.
- Roadmaps were developed to improve the national MRV systems, addressing country-specific needs and situations. These roadmaps underwent public consultations and validation.
- The Project focused on enhancing technical expertise and capacity for robust domestic emissions monitoring, reporting, and verification (MRV) frameworks, aligning with the new Transparency Framework under the Paris Agreement.
- Each country took specific actions to improve their MRV systems, such as consultations, handbooks, and capacity building activities.
- Capacity building activities covered training on for specific sectors and categories under GHG inventories as well as QA/QC for the MRV system.





Overall, the Project supported development and improvement of MRV systems and capacity in the beneficiary countries to better address greenhouse gas emissions monitoring, reporting and verification.



3.3 KEY NEEDS AND FUTURE STEPS



Improving MRV systems is an ongoing process, and EAP countries are in line with this global trend. Through gap analysis and roadmaps, several needs became clear:

 <p>Institutional Frameworks</p>	<p>The way countries organise their national inventory systems can change over time. This change is both a challenge and an opportunity under the Enhanced Transparency Framework. Supporting these evolving arrangements and ensuring they have the necessary resources for implementation is crucial. Continuous support, sharing best practices, and facilitating consultation processes are needed.</p>
 <p>Training and Knowledge Sharing</p>	<p>Continuous training, peer exchange, and knowledge sharing are essential. This includes enhancing the expertise and capacity of national inventory teams to meet the requirements of the Enhanced Transparency Framework under the Paris Agreement. It is about learning from global best practices and exchanging knowledge among policymakers and practitioners from EAP countries and international experts.</p>
 <p>Granularity and Reduced Uncertainty</p>	<p>As countries' climate plans become more advanced, better data analysis, activity data, and more precise emission factors are required for effective monitoring and evaluation. This means improving the detail of inventory data, reporting at higher levels of accuracy, and ensuring all underlying data used in inventories are more reliable. To reach these higher levels of accuracy, EAP countries may need support for sectoral and national studies.</p>
 <p>Private Sector Support</p>	<p>Cooperation and alignment with the EU's rules for facility-level monitoring and installation-based MRV systems are important. However, there is limited experience with facility-level monitoring in the region, and there may be regulatory challenges. Providing methodological support, training, study tours, and building expert capacity in this area can enhance the quality of MRV systems in the region and help monitor the implementation of climate policies at various levels.</p>

➤ In summary, improving MRV systems requires ongoing efforts, including adapting to changing institutional arrangements, training, and sharing knowledge, enhancing data accuracy, and providing support for the private sector to monitor emissions effectively.





3 EU4Climate SUCCESS STORY

MRV roadmap for Georgia – Assessing the improvement options

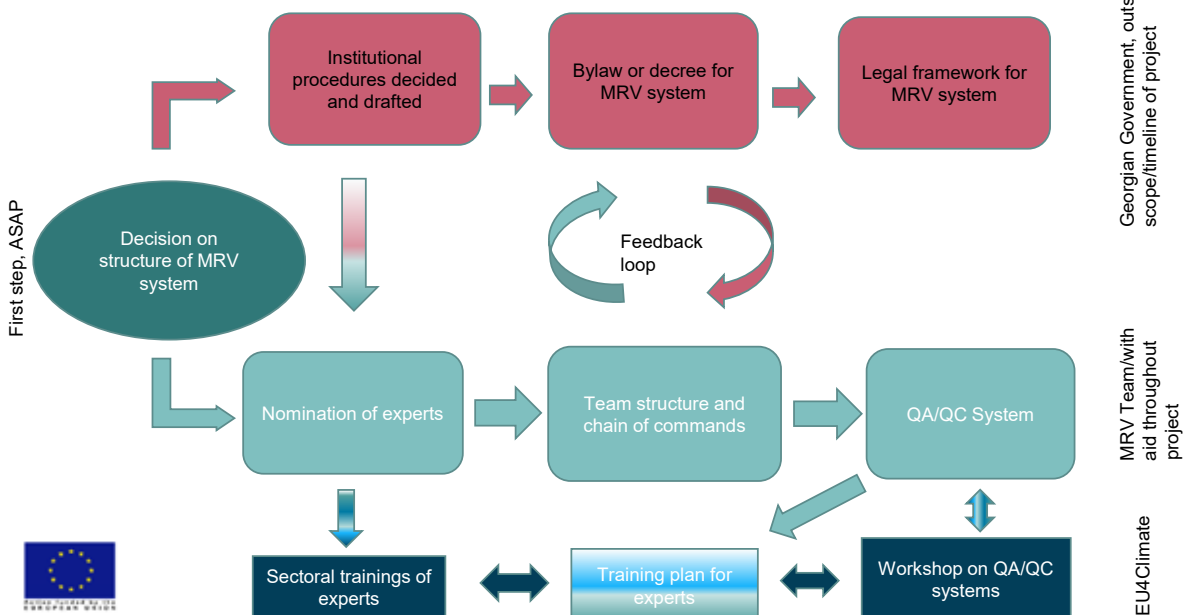
Georgia, 25 March 2022 – Georgia is committed to reducing its GHG emissions by 35 percent compared to 1990 levels by 2030. To achieve this goal, it's crucial to have a reliable system for MRV emissions. This system helps understand where GHGs come from and how they change over time, which is essential for developing effective mitigation strategies.

To improve Georgia's national MRV system, the Environment Agency Austria provided recommendations based on UNFCCC requirements and EU member states' best practices. These recommendations were presented during an online workshop organised by the EU4Climate, with participants including representatives from the Ministry of Environmental Protection and Agriculture, GHG inventory experts, and civil society.

The workshop covered various aspects, including the Paris Agreement's Enhanced Transparency Framework, National Inventory Systems, technical elements of inventory preparation, and a proposed MRV roadmap for Georgia. It also explained the principles of MRV and how the NDC cycle works.

Key discussions focused on the importance of the MRV system and collaboration between the climate and air divisions to harmonize reporting on pollutants and F-gases. The workshop also outlined future steps in Georgia's roadmap and highlighted the need for preventive actions to avoid mistakes. These actions will be supported through workshops and specific training for the Ministry of Environmental Protection and Agriculture and national inventory experts.

Roadmap Georgia





3.4 CONCLUSIONS

The evolving nature of national arrangements requires constant attention and adaptation. Government plans, especially regarding GHG emissions, are continually evolving and need to be flexible to suit different sectors and support needs. Although each country has its unique requirements, there are common issues that must be prioritised when developing their GHG systems for reporting under the Paris Agreement.

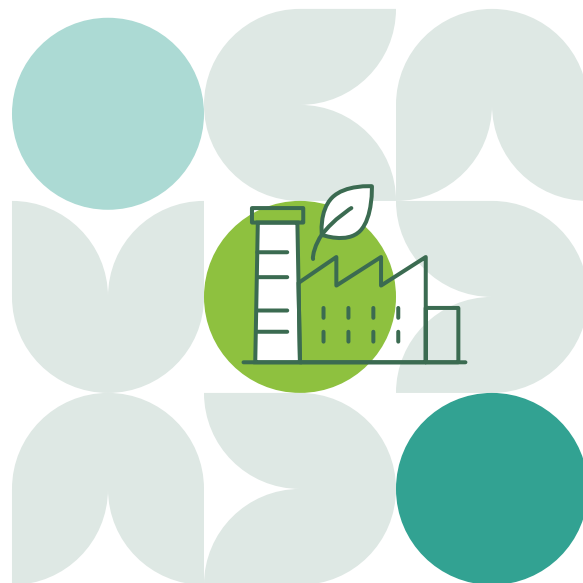
The GHG inventory is central to the Paris Agreement, as it is essential for tracking NDCs, which are the commitments made by countries to reduce emissions. It also forms the basis for projections, helping policymakers assess the effectiveness of measures and suggesting additional actions. Furthermore, it plays a crucial role in various issues related to Article 6 of the Paris Agreement, involving project funding to reduce emissions. A robust inventory can significantly improve policy decisions.

To maintain a high-quality inventory, it is important to establish a dedicated and experienced inventory team. These experts should continuously improve their skills and collaborate with peers working on similar reports, such

as those related to the Convention on Long-Range Transboundary Air Pollution (CLRTAP). Data quality and availability are critical issues and providing a legal basis for data collection could help resolve these problems. This would make it mandatory for data providers and local authorities to collect and provide essential data.

Quality assurance and quality control (QA/QC) are essential components of a good inventory. A thorough QA/QC system not only assists compilers but also builds trust with data providers. It improves the overall quality of the inventory and should include an adaptable training plan for inventory compilers.

These issues align with various EU reporting regulations, and special attention should be given to sectors not covered by the Emission Trading System (ETS). Moldova, Ukraine, and Georgia, as EU candidates and countries with recognised European perspectives, will need to align with the EU acquis and fulfil their obligations under the Energy Community, particularly in preparing National Energy and Climate Plans (NECPs) that require high-quality GHG inventories.





RESULT 4

Alignment with EU acquis included in bilateral agreements and Energy Community Treaty on Climate Action

4.1 OVERVIEW

UNDP partnered with the Environment Agency Austria (EAA) and the Energy Community Secretariat in September 2019 to assess how countries' national laws and fiscal policies align with the EU's rules. The EAA examined Armenia, Azerbaijan, and Belarus, while the Energy Community Secretariat focused on Georgia, Moldova, and Ukraine, as Contracting Parties to the EnC Treaty.

The EU assessment found that all these countries are at an early stage of preparation when it comes to matching their

climate laws with the EU's and that, overall, they have a low to moderate level of readiness. The challenges they face include integrating environmental and climate laws into all policy areas, as well as effectively enforcing these laws. To make progress, they need more political attention and a coordinated approach across all sectors of government and the economy to promote environmental protection and a green transition. These partnership agreements have been active throughout the Project's lifetime.

4.2 SUMMARY OF ACTIVITIES AND ACHIEVEMENTS

In 2021, the Project worked with the Energy Community Secretariat to help Georgia, Moldova, and Ukraine update their legal alignment roadmaps to be in line with their EU Partnership agreements. Although the EU and Azerbaijan were still negotiating an updated partnership agreement, the focus was on aligning with the EU acquis in areas such as climate, energy, and more to meet obligations under the Paris Agreement and EU directives.

For Georgia, alignment was needed with EU regulations on F-gases and ODS, along with Energy Community Treaty obligations on MMR and EU Governance Regulations. Moldova had to align with the ETS Directive, F-gases, and ODS regulations under its EU Association Agreement, and additional obligations were set by the Energy Community Treaty. Ukraine had requirements to align with the ETS Directive, F-gases, and ODS regulations, and it also worked on the EU Green Deal supporting its dedicated dialogue on it with the EU.

In early 2022, Ukraine, Moldova, and Georgia applied for EU membership, and the European Council granted candidate status to Ukraine and Moldova in June 2022 while recognising Georgia's European perspective. These countries need to meet various criteria, including alignment with EU acquis, structural reforms, and a strong capacity to deliver reforms and public services.

The European Commission published analytical reports in February 2023 assessing these countries' capacity to fulfil EU membership obligations, building on their 2022 applications for EU membership. The reports provide insights into the countries' progress in alignment with the EU acquis, resulting in European Commission recommendations from November 2023, part of the Enlargement Package to open accession negotiations with Moldova and Ukraine and grant the candidate status to Georgia. The European Council on 14 December 2023 approved the decision to open negotiations with Moldova and Ukraine, and grant the candidate status to Georgia. Throughout its whole duration, the Project also organised workshops and consultations to help these countries develop policies and legislation to align with the EU acquis.



4.2 ACHIEVEMENTS



Country	Agreement with EU	F-gases and/or ODS regulation	ETS Directive	MMR/EU Governance Regulation	NECPs	Alignment with Green Deal	Climate change law/other
ARMENIA	CEPA Roadmap for approximation with EU climate acquis	Draft package on F-gases/ODS law amendments (2021), to be approved (2023)	Review of relevant elements (2020)	Roadmap for dev. national GHG inventory at the installation level	Not current obligation		-Draft climate change law (2022-2023) -Concept on air quality legislation (2023)
AZERBAIJAN	In negotiation Roadmap for approximation with EU climate acquis (2020=)	Recommendations on F-gases and ODS regulations requirements (2020)	Recommendations on certain provisions (2020)	Roadmap for dev. national GHG inventory	Not current obligation		
GEORGIA	Association Agreement Roadmap for approximation with EU climate acquis Compliance checks (2021)	Draft F-gases law (2023)	No current obligation	Roadmap for dev. national GHG inventory	NECP draft submitted to EnC Secretariat	Assessment of Georgia's readiness to align with GD (2022)	
MOLDOVA	Association Agreement Update of the Roadmap for impl. of AA Gap analysis (2021)	-F-gases Law adopted (2023). -Integrated F-gases database and reporting system proposed	-Review of relevant provisions of Directive -Law on the ETS provisions (2022)	-Roadmap for dev. national GHG inventory -Updated MMR Regulation adopted -AVR under transposition	NECP being drafted	Summary of the EU GD acquis relevant for Moldova (2022)	Draft climate change law 2022-2023)
UKRAINE	Association Agreement Roadmap for approximation with EU climate acquis Compliance checks (2021)	F-gases regulation already in place -draft by-laws on ODS and F-gases (2021)	MR and AV legislation already in place	Recommendations for impl. of MMR -Recommendations for impl. of EU Governance Reg (2022).	NECP being drafted outside of project	Summary of the GD related acquis relevant for Ukraine (2022)	Draft climate change law (2022-2023) Recommendations on methane reduction strategy and reduction of CH4 emissions in ind. Sectors (2023)





4 EU4Climate SUCCESS STORY

Moldova is gradually switching to natural cooling agents, with the goal of eliminating fluorinated gases by 2050

Moldova, 12 April 2023 – The Republic of Moldova is introducing a new law to reduce the use of harmful fluorinated greenhouse gases, also known as F-gases. Starting from January 2024, Moldova will gradually decrease the import and consumption of F-gases and replace them with natural cooling agents. This law was developed with support from the EU4Climate Project and will become effective six months after its publication. Until now, Moldova had no regulations on the use of F-gases.

F-gases are used in refrigeration and air conditioning systems, including road transport, but they have a significant global warming effect, over 14,000 times more potent than CO₂. Moldova has seen a rapid increase in F-gas usage, with annual imports of 90 to 180 tons of hydrofluorocarbons (HFCs), a type of F-gas. Emissions from HFCs increased dramatically from 1995 to 2019, primarily from expandable foams and accidental releases from refrigeration and air conditioning.

The new law aims to make refrigeration and air conditioning systems using HFCs more environmentally friendly.

It promotes the use of alternative refrigerants like CO₂, isobutane, propane, and ammonia, which offer energy-saving benefits. Additionally, this transition creates new business opportunities for Moldovan entrepreneurs.

While developed countries began reducing HFC use in 2019, developing countries like Moldova will start the process in 2029. Between 2024 and 2028, Moldova will freeze F-gas consumption at the 2020-2022 average level, with a 65% addition. After that, the country will gradually reduce consumption as per the Kigali Amendment schedule, aiming for an 80% reduction from the base level by 2045.

This law is essential for Moldova's transition towards a green, climate-neutral, and competitive economy, aligning with the goals of the National Development Strategy Moldova 2030. Moldova is particularly vulnerable to climate change, experiencing extreme weather events, and aims to reduce greenhouse gas emissions by at least 70% by 2030, in line with its updated NDC.





4.4 KEY NEEDS AND FUTURE STEPS

An in-depth review of the current legal framework in Armenia and Azerbaijan has been conducted to help create roadmaps for aligning their climate actions with EU regulations, as outlined in their EU, or negotiated agreements. These assessments have emphasised the need to adopt legislation on air quality, MRV (monitoring, reporting, and verification), F-gases, ETS-related requirements for industrial installations, and climate change law in Armenia, as well as MRV for Azerbaijan. While Armenia has made some progress in drafting this legislation, none has been officially adopted yet. Azerbaijan has also been slow in preparing draft legislation related to climate change.

On the other hand, Georgia, Moldova, and Ukraine, being parties to the Energy Community Treaty, have been making strides in implementing climate-related obligations. In 2023, Georgia has adopted long-term low emission development strategies (LT-LEDS), and Moldova has updated its LEDS-2030; in line with both countries' commitments under the Paris Agreement and the EU Governance Regulation. Georgia has gone further by adopting a 2050 net zero emission target in its LT-LEDS.

Ukraine submitted its LT-LEDS to the UNFCCC Secretariat in 2018, but it is essential for Parties to the UNFCCC to update their LT-LEDS every five years. The current LT-LEDS contains 2060 net zero emission target.

Georgia has presented the draft National Energy and Climate Plan (NECP), which is under review. Moldova and Ukraine are still in the process of developing their draft NECPs. The final NECPs should be submitted by mid-2024.

Furthermore, both Georgia and Moldova are working on draft climate laws to incorporate elements of the adapted Governance Regulation. It's expected that these drafts will be adopted by the governments soon. Also, Moldova has recently adopted its Adaptation strategy.





4.5 CONCLUSIONS

EaP countries currently have various levels of requirements to align with the EU climate acquis, depending on their bilateral agreements with the EU. The alignment in this sector mainly focuses on certain parts of climate legislation such as the Fluorinated gases and Ozone depleting substances regulations, MR and AV elements of the Emissions Trading System Directive, Monitoring Mechanism Regulation and its successor, EU Governance Regulation and the elements of EU Green Deal, including the Carbon Border Adjustment Mechanism, that will be relevant for all countries as of 2026. The table under 4.3 provides detailed information on the current status of the EU alignment.

When in February 2022, Ukraine, followed by Georgia and Moldova in March 2022 applied for EU membership, requirements for a closer alignment became reality for these countries. In February 2023, the European Commission released analytical reports that evaluated readiness of Ukraine, the Republic of Moldova, and Georgia to meet the requirements for EU membership. These reports offered a comprehensive analysis of their progress in aligning with EU regulations and complemented the Opinions issued by the European Commission in June 2022 regarding the membership applications of these three countries. The evaluations were based on responses to questionnaires from the three applicant countries and relevant informa-

tion collected through extensive dialogues conducted over many years as part of their Association Agreements, including the Deep and Comprehensive Free Trade Areas (AA/DCFTA).

Overall, Georgia, Moldova, and Ukraine are at an early stage of preparation when it comes to meeting EU climate and environmental requirements. They have a low to moderate level of readiness for these issues. There are still considerable challenges in integrating environmental and climate specifications into all areas of policymaking and implementing and enforcing relevant legislation. To achieve environmental protection and a green transition, these countries need more attention from political leaders and an approach that encompasses all aspects of government and the economy.

All EaP countries will need to focus on the implementation of the legislative acts and draft in the next phase. The countries seeking EU membership, will face growing pressure to align more closely with the EU regulations and policies. While in the past these included the climate acquis stemming from their association agreements, if association process moves ahead, these countries will face the entire EU *acquis*.







RESULT 5 Mainstreaming climate into other policy sectors and sectoral guidelines for the implementation of the Paris Agreement

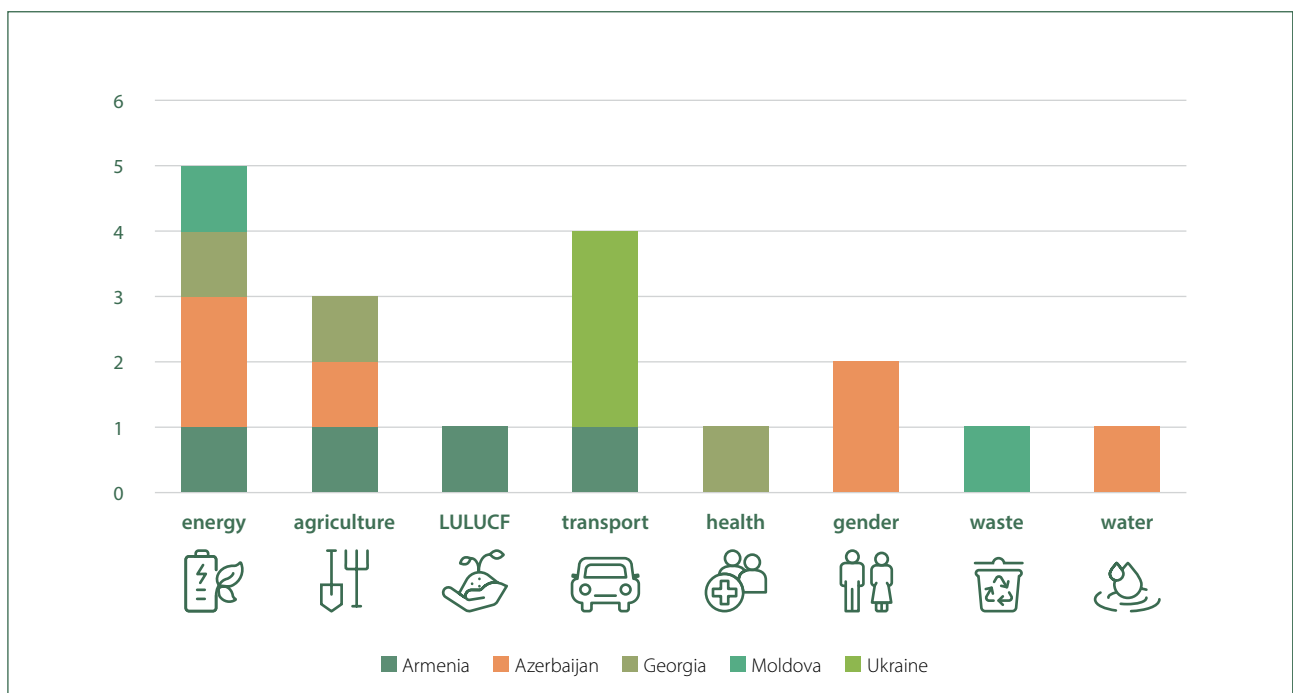
5.1 OVERVIEW

When countries signed and ratified the Paris Agreement, they made a commitment to transition towards low-carbon economies. Climate change, driven by GHGs from sectors like energy, industry, agriculture, transportation, and waste management, affects many aspects of our lives, from our economies and the environment to our health, biodiversity, energy systems, food systems, and land use. To effectively address climate change, we must integrate climate considerations into policies, finances, laws, and collaborations between institutions, allowing us to develop and execute programs that support low-carbon development and climate adaptation.

Climate mainstreaming is the practice of systematically weaving climate mitigation and adaptation into all aspects of policy, as well as financial, legal, and procedural frameworks. It is an ongoing process that needs to be an integral

part of policy planning. Policymakers across all levels and fields must acknowledge their role in promoting low-carbon and climate-resilient development. Achieving this requires coordination and collaboration among institutions to establish a supportive legislative, financial, and political environment.

The Project prepared a summary of sectoral mainstreaming studies and experiences in Armenia, Azerbaijan, Georgia, Moldova, and Ukraine. Such summary provides insights into mainstreaming practices, gathers information about project activities, and offers recommendations for future actions. These countries have developed 17 sectoral mainstreaming studies, addressing areas like energy, agriculture, land use, transportation, health, gender, waste, and water. (See figure below).



● Overview of mainstreaming studies per area addressed and per country

5.2 SUMMARY OF ACTIVITIES



●	ARMENIA	A study was conducted in 2020 to reform the Yerevan Transport System and align it with low-carbon development policies. In 2021, studies were also carried out on integrating climate policies into the country's energy sector, assessing the potential of the land use sector for climate change mitigation, and exploring how agriculture can contribute to climate change mitigation.
●	AZERBAIJAN	Studies were conducted in 2020 to integrate climate change actions into the country's water sector and to consider gender aspects in climate change policies. An energy mainstreaming report was also produced. In 2021, a study was drafted on integrating gender and climate change into energy policies. In 2022, climate change issues in the agricultural sector were analysed.
●	GEORGIA	In 2021, studies were conducted to include climate mainstreaming recommendations in policy documents for three sectors: health, energy, and agriculture. These studies aimed to assess the regulatory frameworks and development plans in these areas. The NDC and Climate Action Plan were also reviewed from a private sector perspective to offer guidance on how businesses can navigate climate-related policies and UNFCCC requirements.
●	MOLDOVA	Two mainstreaming documents were prepared: one focused on integrating climate change into the energy policy sector from 2021 to 2023, and another on consolidating climate and energy planning processes in 2021.
●	UKRAINE	In 2022, recommendations for using alternative fuels in aviation and waterborne transport were provided. A study was also conducted to enhance safety and comfort for bicycle use by improving state construction norms and standards. A white paper on micro-mobility was also prepared and a report developed on national standards for road signs, road markings, traffic lights, and similar elements, along with a review of international practices.



5










5.3 ACHIEVEMENTS

Armenia, Azerbaijan, Georgia, Moldova, and Ukraine were involved in 17 studies during the Project, focusing on specific sectors like energy, agriculture, land use, transport, health, gender, waste, and water. Each country's summary provides details about why the study was done, the methods used, and the main discoveries, including policy suggestions for each sector.

These summaries were shared in the Mainstreaming Study as part of the EU4Climate Project in June 2023.

Here is a glimpse of some of these studies:

ARMENIA









 COUNTRY	Armenia	Sector 	Energy
 TITLE	Mainstreaming Climate Policy in Armenia's Energy Sector	Author 	Astghine Pasoyan
		Date 	December, 2021
 OBJECTIVE	Identification of gaps, needs, and opportunities for mainstreaming climate change considerations in energy sector in line with Government commitments		
 APPROACH	Stocktaking on legal and institutional developments during the 2018-2021 under the CEPA implementation in the context of climate change objectives/low carbon development. This includes review of the technical reports developed under the Project EU4Energy-Armenia, assess progress reached in implementation of CEPA Implementation Roadmap as part of the temporary enforcement and its past and pending contribution towards NDC implementation.		
MAIN RESULTS/POLICY RECOMMENDATIONS 	<p>Policy recommendations largely focus on energy efficiency of buildings, such as:</p> <ul style="list-style-type: none"> • Step by step guidelines for setting up effective enforcement and compliance procedure and establishing a system for issuing minimum energy performance requirements • Roadmap for Nearly Zero Energy Buildings (NZEB) • Address gaps in national legislation implementing the EPBD Directive • Energy Efficient Buildings Roadmap for Armenia • Energy Investment Risk assessment profile (2018) as well as a Monitoring report (2021) • Guidance on Energy Audits 		



ACHIEVEMENTS



AZERBAIJAN

	COUNTRY	Azerbaijan	Sector 	Agriculture
	TITLE	Analysis of problems in the agricultural sector in Azerbaijan related to climate change and preparation of proposals	Author 	Environmental Research Centre
			Date 	January, 2022
	OBJECTIVE	identify adaptation and mitigation opportunities, needed changes in the institutional and regulatory framework, monitoring and coordination mechanism on agriculture sector of the Azerbaijan Republic		
	APPROACH	<ul style="list-style-type: none"> • Analysis of the situation on climate change in the agricultural sector in the country • Preparation of proposals on adaptation and mitigation plans of the agricultural sector • Identification of gaps based on the current state of water use • Development of new management technics and use schemes for the integration of climate change into water use • Development of climate scenarios considering possible future changes (with maps and other graphical data) • Development of proposals on rules for climate change in agriculture 		
	MAIN RESULTS/POLICY RECOMMENDATIONS	<p>Identified mitigation opportunities:</p> <ol style="list-style-type: none"> 1. Pasture management to meet increasing meat demands 2. Grazing management, incl. Importance of pastures for carbon sequestration 3. Crop rotation, management of tillage and residues, fertiliser management, agro-forestry systems 4. Increase agricultural energy efficiency and shift to non-fossil fuel sources 5. Use of cover crops to avoid bare soils 6. Improving manure storage practices in industrialized livestock systems (incl. use of biogas) 7. Reduction of food loss <p>Identified adaptation opportunities:</p> <ol style="list-style-type: none"> 8. Water management 9. Transboundary water governance 10. Prevention of water loss during transportation 11. Using water sparingly 12. Cultivation of drought plants 13. Creating food reserves and ensure Food security 		











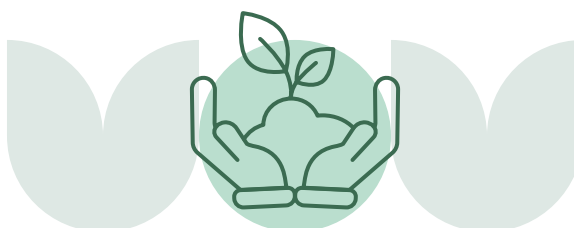
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ACHIEVEMENTS

GEORGIA



	COUNTRY	Georgia	Sector 	Agriculture
	TITLE	Incorporation of Climate Mainstreaming Recommendations in Sector Development Political Documents - Agriculture Sector	Author 	NGO Environment and Development
			Date 	November, 2021
	OBJECTIVE	Finding the most important areas in agriculture by integrating climate change concerns and creating sector-related advice and instructions for managing climate change problems, relying on recognised and accepted priorities.		
	APPROACH	Review and analyse national policy documents, strategies, programs, development plans and legislative and regulatory framework documents; A detailed stakeholder analysis comprised an important aspect of the work on this document. The responsible structures and parties involved at different stages / levels were also identified. Additionally, information was collected about individuals who are actively involved in climate change decision-making and implementation during initial interviews with stakeholders.		
	MAIN RESULTS/POLICY RECOMMENDATIONS	<p>The vulnerability of the agricultural sector to climate change is high. The importance of climate change and the need to take effective steps in this direction are highlighted in the policy documents, action plans and legislation discussed above. At the same time, however, it should be noted that strategies and specific action plans only weakly address specific ways in which to increase the resilience of the agricultural sector to climate change. This may increase the existing risks and the vulnerabilities in the sector;</p> <p>Policy recommendations:</p> <ul style="list-style-type: none"> ● Clearly state the specific goals and objectives in the Agriculture and Rural Strengthen the capacity of advisory services in the agricultural sector in ● Study the impacts of climate change in all areas of the agricultural sector which will provide a full picture of the existing risks involved, including risk assessment in terms of gender ● Facilitate the renewal of the meteorological observation network and increase the coverage area to create a complete climate picture and improve forecasting; ● Promoting the dissemination of water-saving irrigation methods (drip, rain) and fertigation; ● Replacement of a fixed tariff for irrigation water with a volumetric or a mixed tariff; ● Fill in the existing legislative gaps and develop mechanisms to facilitate the implementation of the regulations imposed within them. 		



ACHIEVEMENTS



MOLDOVA








 COUNTRY	Moldova	Sector 	Waste
 TITLE	Guideline on climate change mainstreaming into waste sector policies	Author 	Resources & Waste Advisory Group
		Date 	May, 2021
 OBJECTIVE	The “Guideline for integrating climate changes in the waste management policy” supports a series of dedicated trainings to facilitate the implementation of the Paris Climate Agreement at sectoral level in the Republic of Moldova.		
 APPROACH	Chapter 1 talks about making lists of greenhouse gas (GHG) emissions from the waste sector, including gathering the needed data. Chapter 2 discusses the best methods to reduce emissions in this sector. It looks at criteria for choosing Projects that can lower GHG emissions, assessing how much these Projects reduce emissions, and different ways to lower emissions, like improved waste management and recycling. Chapter 3 focuses on how climate change can affect the waste sector and ways to adapt to it, making things more resilient. It also looks at measures to help communities be more resilient. Chapter 4 sums up why it's essential to prioritize climate changes in this sector and accurately measure GHG emissions. It covers reducing emissions and adapting to climate risks, especially through Moldova's sectoral policies. Chapter 5 discusses funding options for dealing with climate change in waste management. This includes funds like the Green Climate Fund and NAMA Facility. Chapter 6 gives examples of successful waste management and climate change efforts based on the info from the earlier chapters.		
MAIN RESULTS/POLICY RECOMMENDATIONS 	<p>Mitigation recommendations:</p> <ul style="list-style-type: none"> ● adhere to circular economy principles (remove, reduce, re-source, reuse, recycle, recover, return) ● avoid disposal of biodegradable organic material ● apply oxidation layer on landfills ● recover and flare landfill gas ● use waste treatment results as secondary material ● promote waste prevention and reduction ● ensure proper landfill management ● employ suitable technologies ● develop necessary infrastructure ● recovery biogas from wastewater treatment <p>Adaptation recommendations:</p> <ul style="list-style-type: none"> ● Implement a study to identify risk and vulnerability of existing and planned infrastructure for waste management to the impacts of climate change ● Regulation for disposal and other relevant policies establish building and operation standards to consider results of the vulnerability study ● Options for adaptation and resilience-building may include technological changes, risk management plans in infrastructure operations, increased awareness of good practices, revising zone planning and infrastructure locations, improving risk management and communication, integrating the waste sector into critical infrastructure and National Adaptation Strategy. 		



ACHIEVEMENTS



 UKRAINE

 COUNTRY	Ukraine	Sector 	Transport (cycling)
 TITLE	Improve state construction norms and state standards of Ukraine for improvement safety and comfort use bicycles	Author 	Ksenia Semenova
 OBJECTIVE	<ol style="list-style-type: none"> 1. Overview of the state building regulations and state standards of Ukraine related to bicycle infrastructure. 2. Study of foreign government standards and best practices regarding bicycle infrastructure 3. Preparation of recommendations for changes and additions to the norms and standards of Ukraine related to bicycle infrastructure to increase the comfort and safety of bicycle use 		
 APPROACH	<p>Consultations were held with stakeholders (e.g. consultant firm for the preparation of the National Strategy for the Development of Bicycle Transport). Determination of infrastructure elements, and analysis of norms and standards. Description of obtained results from the review, Identification of internal gaps (or contradictions within in Ukraine norms) and external gaps (between Ukraine and other countries). Modelling of scenarios for the design of bicycle infrastructure and on-site inspections. Based on all that results achieved during review and consultations and research, recommendations were formulated.</p>		
MAIN RESULTS/POLICY RECOMMENDATIONS 	<p>Recommendations in infrastructure:</p> <ul style="list-style-type: none"> ● Traffic signs ● Road marking ● Traffic lights ● Road fences ● Rural bicycle lanes ● Navigation guiding system ● Road surface and clothing ● Bicycle storage 		



5

EU4Climate SUCCESS STORY



EU4Climate achievement: integration of gender in energy policy in Azerbaijan

Azerbaijan, 17 May 2023 – Men and women have different energy needs and use patterns. Gender inequalities can make it difficult for women to access modern energy services, limiting their chances for economic and social empowerment. By including gender concerns in the energy sector, we can ensure that energy policies and programs are inclusive and meet the needs of everyone, including women and girls.

The EU4Climate Project in Azerbaijan aims to integrate “Gender and Climate Change Integration into the Energy Policy.” They provide guidance on developing climate-friendly and gender-responsive energy policies to support sustainable economic development and ensure that all people can lead prosperous lives.

Women can have a significant role in moving towards clean energy as consumers, shifting energy use, and driving changes in the energy industry. Therefore, it’s essential to expand energy access and make it affordable for low-income groups, particularly households led by women.

Women spend more time on caregiving and housework than men, so giving them more time is crucial for their education, agency, and life choices. Introducing clean energy sources and advanced cooking/heating technologies that improve women’s health and reduce their workload should be a priority.

To advance women’s careers, we need to improve their access to employment and financial resources and invest in their education, skills, and professional networks. Maximizing women’s employment opportunities in the energy sector is crucial.

The EU4Climate study will help integrate gender considerations into various policy areas, including reducing household energy costs, empowering women by reducing their household work, improving health, and addressing environmental issues like indoor air pollution and climate change mitigation. This will benefit both women and men.



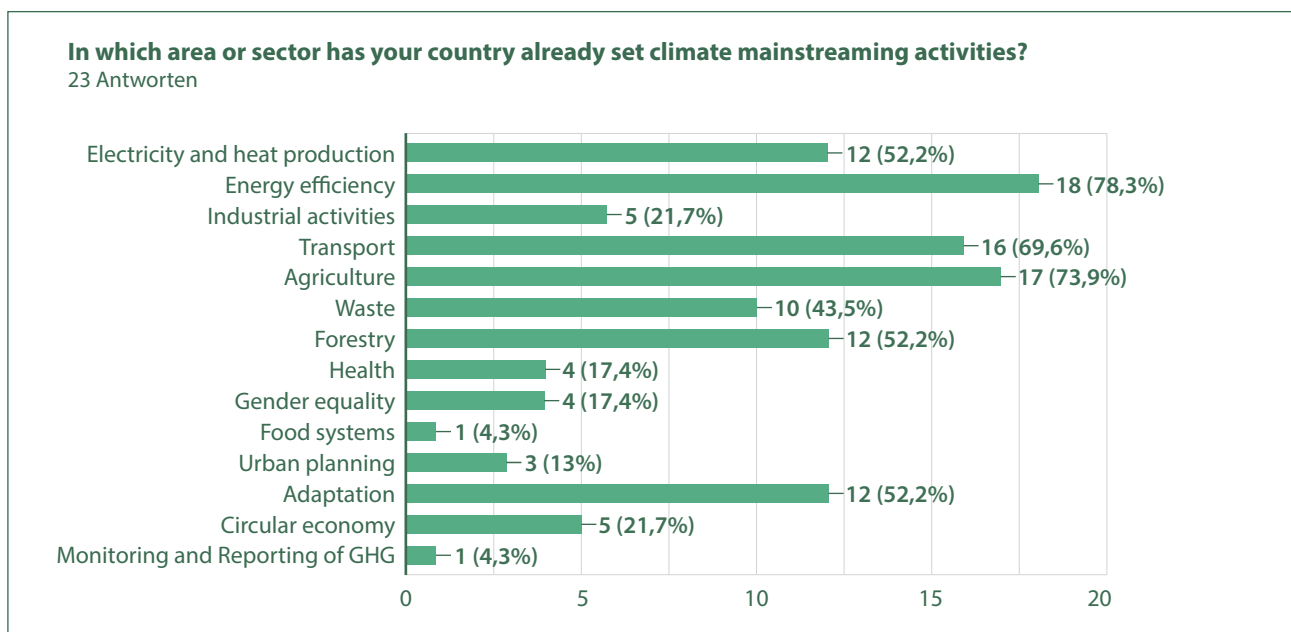
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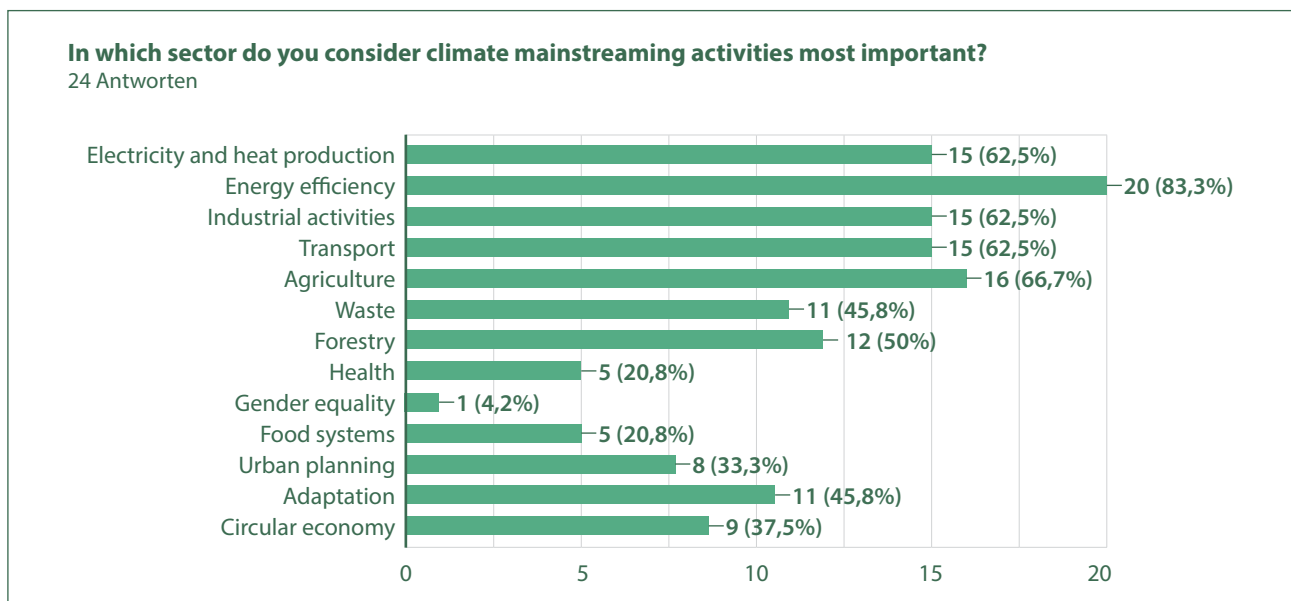
5.4 KEY NEEDS AND FUTURE STEPS

A questionnaire was sent to ministries in Eastern Partnership countries to identify challenges and solutions for mainstreaming climate activities before the EU4Climate change regional workshop in Brussels on April 26, 2023. Analysis of the 24 responses revealed that mainstreaming efforts have been undertaken in sectors such as electricity and heat production, energy efficiency, transport, agriculture, waste, forestry, health, and adaptation. However, sectors like industrial activities, food systems, urban planning, and circular economy, which are also vital, have received comparatively less attention.

Notably, gender equality is perceived as less important and has been addressed to a lesser extent (see below).



● Results of questionnaires on sectoral activities

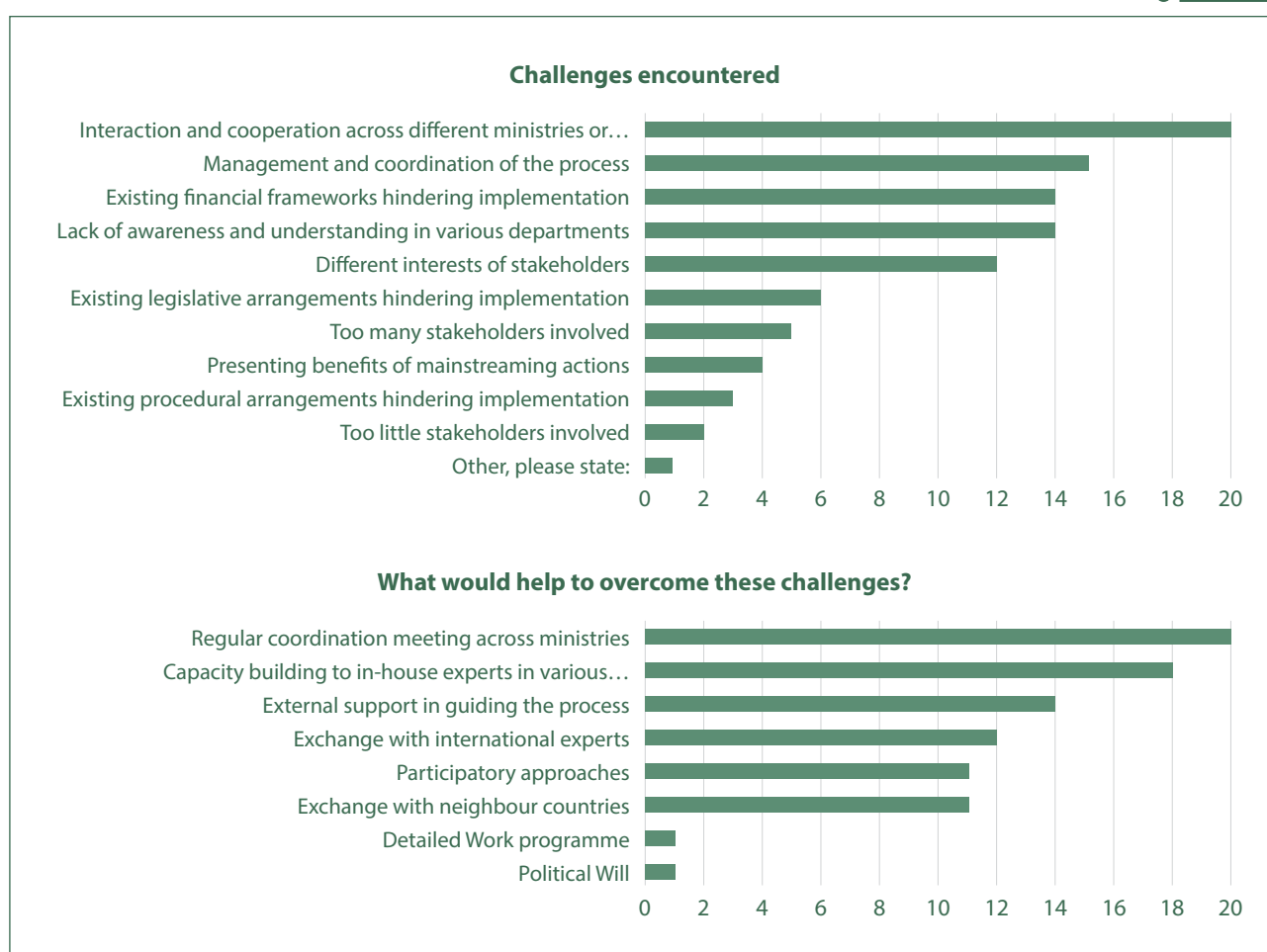


● Results of questionnaires on sectoral priorities

KEY NEEDS AND FUTURE STEPS



The tables below present the challenges faced. 18 respondents found climate mainstreaming in general to be challenging but achievable, three found it very difficult, and one found it relatively easy. When we examine the challenges faced and how to address them, it is evident that collaboration between ministries or institutions, effective management practices, and enhancing the skills of in-house experts are crucial factors in overcoming these challenges.



● Results of questionnaires on challenges



5



5.5 CONCLUSIONS

The governments of EaP countries understand the importance of integrating climate policies across all economic sectors to achieve a climate-neutral future. They are especially focused on the energy sector, which is a major source of emissions in these nations. The studies conducted emphasise the need for long-term planning in the energy sector, which may require changes in the legal framework. Strengthening institutional capabilities and promoting cooperation across various sectors is crucial. Encouraging the use of renewable energy sources and energy-saving measures is also vital, and energy infrastructure must be able to withstand climate challenges. Workshop participants acknowledged the difficulty of involving different stakeholders and highlighted the positive impact of obligations such as preparing an integrated National Energy and Climate Plan (NECP) for better coordination.

In the agriculture sector, three countries understand the close link between mitigating and adapting to climate

change. Enhancing the resilience of agriculture is essential for food security, but it is a complex task involving various stakeholders like businesses and farmers.

Mitigation measures include sustainable management of pastures, water, fertilisers, and manure, along with changes in feeding practices. One challenge is the lack of agricultural data and scientific research for effective planning and monitoring of actions.

Recognising that every policy area can contribute to climate change mitigation and is affected by climate change, it is crucial to build capacity in each ministry. This approach promotes cooperation across the entire government and enables effective planning and implementation of climate policies.







RESULT 6 Climate Investment (Climate Budget Tagging)

6.1 OVERVIEW

Climate Budget Tagging (CBT) is a tool for keeping an eye on how money is spent on climate-related matters within the national budget system. CBT gives detailed information about spending that relates to climate, helping the government make smart choices and prioritise investments that align with the goals of NDCs and NAPs. It also lets the public check how the government and its partners are using funds to address climate change, which makes the process more transparent and holds everyone accountable.

One of the expected outcomes of the EU4Climate Project is to improve the governments' ability to use CBT effectively. Throughout the Project, EU4Climate has developed CBT guidelines and strategies for Eastern Partnership countries and has stressed the importance of CBT when collaborating with government partners in the EaP.

CBT work was carried out during the Project in Armenia and Georgia, and at the request of the Ministry of Ecology and Natural Resources of Azerbaijan, an additional CBT study was conducted in Azerbaijan.

6.2 SUMMARY OF ACTIVITIES

In June 2021, UNDP IRH held a two-day workshop about climate finance and budgeting, which explained the important methodological aspects of conducting a CBT. It had 38 representatives from EaP countries, the European Commission, and international experts. More than 100 people at the workshop learned how to use CBT through practical exercises.

After the workshop, participants from EaP countries showed a keen interest in using CBT and other related tools. This event showed that UNDP and the EU are committed to helping countries become better at managing and allocating funds for climate action.

In September 2021, UNDP IRH also organised a two-day forum about climate finance, which focused on financing NDCs and making sure technology gets transferred in the Eastern Partnership region. It had 130 participants, including 44 from Eastern Partnership governments. Valuable insights about climate finance and how it connects to countries' plans for dealing with climate change were shared by the speakers representing development banks, UN agencies, and civil society groups.



ARMENIA

EU4Climate has initiated work on CBT in Armenia in 2019-2020 with preparing recommendations to enhance financing for mitigation and adaptation in specific areas, which was shared with the focal ministry. In May 2020, the first pilot study on Climate Finance Budgeting and Expenditure Tracking began in Armenia. The interim report on Climate Public Expenditure and Institutional Review (CPEIR) identified climate expenditure directions in Armenia, assessed the size and trends of climate-related budget expenses for 2017-2019. UNDP Armenia organised a National Workshop on Climate Change Budget Tagging in August 2020, attended by around 30 participants, to agree on the CBT exercise methodology and plan next steps. Consultations

with local experts and analysis of national budget data were conducted. The final CPEIR report was completed in Q4/2020 and submitted to the Ministry of Environment and Ministry of Finance for feedback. A workshop in March 2021 presented the CPEIR's final results to national stakeholders, with approximately 40 participants from policy-making, government, and technical experts. In 2022, the focus shifted to producing a report on carbon pricing mechanisms, assessing Armenia's potential and proposing options. The report, developed by an International Consultant on Carbon Pricing Possibilities in Armenia, was completed, translated into Armenian, and shared with national stakeholders in Q4 2022.

AZERBAIJAN

In 2019, as part of the Climate Investment Project in Azerbaijan, the goal was to work on CBT. Two pilot studies and two workshops about CBT were planned, to add climate considerations to the national budget. An initial report was delivered in January 2020, providing initial recommendations to improve the budget tagging system for tracking investments in climate change prevention. However, due to the pandemic, the planned CBT pilot was postponed to 2021. In August 2020, an online discussion was held with UNDP, the Ministry of Ecology and Natural Resources, and the Ministry of Finance about the pilot study. Afterwards, preparations began for the budgetary review in 2021. A local expert conducted a needs assessment, completed in January 2021, which informed the scope of the budgetary

review with the Ministry of Finance. A report about using CBT for the national budget, was submitted to the government by the end of 2021. The government approved the report in Q2 2022. Following this, international experts conducted a CBT pilot study, developing guidelines for using CBT in Azerbaijan in collaboration with the Ministry of Finance. The study was finalised and submitted to the Project in January 2023, followed by a capacity-building workshop and consultations involving 18 relevant ministry staff on September 13, 2023. The workshop and consultations aimed to enable participants to develop a prioritised pipeline of bankable Projects and integrate climate change into national funding instruments.

GEORGIA

In 2019, there were no activities carried out under this component. In 2020, the first CBT pilot was scheduled for implementation in the country. However, due to the pandemic's impact, the Inception workshop and the final report were delayed, and the UNDP Georgia CBT study began towards the end of the year. In May 2022, UNDP Georgia published the *Climate Budget Tagging Methodology Technical Report*. This methodology uses budget proposals as a starting point to ensure that all relevant spending institutions, autonomous republics, and local authorities in Geor-

gia participate in the budgetary process by tagging their proposed expenditures. In May 2022, a workshop was organised in Tbilisi to inform representatives from the finance departments of line ministries about the CBT methodology and process. The workshop was attended by participants from different government ministries and agencies. A CBT glossary was developed in 2023 to assist involved partners, and discussions about the CBT process will continue with representatives from commercial banks.



6.3 ACHIEVEMENTS



<p>●</p>	<p>ARMENIA</p>	<p>In March 2020, Armenia released its CPEIR in the framework of the EU4Climate Project, with the purpose to enhance development of climate policies and mobilisation of international financial support. A significant result of the study is the creation of a methodology for identifying, categorising, and calculating climate-related expenses, divided into two steps:</p> <ul style="list-style-type: none"> ● Classifying climate expenditures: This step involves categorising spending based on Armenia's climate priorities as defined in its NDC. It also draws from international models such as the Multilateral Development Bank Climate Finance Tracking framework and IPCC emissions categorisation. ● Weighting climate expenditures: Various government activities contribute to climate objectives to varying degrees. Some are solely related to climate goals, while others serve multiple purposes. As a result, a weighting process is employed to ensure accurate accounting of expenditures. <p>Armenia's experience has been useful in conducting similar work in Azerbaijan and Georgia.</p>
<p>●</p>	<p>AZERBAIJAN</p>	<p>CBT guidelines were released in August 2023. Azerbaijan follows an objective-based method, tagging expenses linked to activities expected to have climate-related effects. These expenses are categorised into three groups based on how closely they align with climate goals, whether they benefit climate while serving other purposes, or if they have a negative climate impact. Azerbaijan's CBT initially targets three sectors:</p> <ul style="list-style-type: none"> ● Environmental protection ● Agriculture ● Education <p>These sectors will use CBT to connect climate-related expenses with publicly accessible budget data. In terms of implementation, the Ministry of Finance leads the way, with support from the Ministry of Ecology and Natural Resources. Looking ahead, CBT coverage in Azerbaijan could grow to include more sectors and a broader range of expenses, possibly adopting a more decentralised approach.</p>
<p>●</p>	<p>GEORGIA</p>	<p>Georgia's CBT Methodology, published in May 2022, outlines how CBT will work, including:</p> <ul style="list-style-type: none"> ● Coverage & Granularity: The starting point for CBT in the budget process decides which expenses are labelled. The level of detail depends on how finely the methodology classifies expenses (economic, programmatic or administrative). ● Classification: Projects and activities linked to climate change need to be sorted accurately. The method takes inspiration from global resources on sustainable climate finance, like OECD Rio Markers, MDB approach, and EU green taxonomy. ● Weight: The Climate Public Expenditure and Institutional Review (CPEIR) Climate Relevance Index is used to assess budget expenses. It considers how they affect climate change, their main purpose, and whether they only target climate change or have other development goals.

6 EU4Climate SUCCESS STORY

Climate Finance Forum – Financing the NDCs and Ensuring Technology Transfer in the EaP Region



Regional Forum, 21-22 September 2021 – The EU4Climate Project organised a forum in September 2021 focusing on climate finance in the Eastern Partnership region. The event aimed to share knowledge about climate finance instruments, promote networking among regional governments, development banks, and multilateral funds, and discuss how to finance climate-related policies like NDCs, NAPs, and mid-century LEDs. Over 130 participants attended, including representatives from the EaP governments and organisations like the GCF, GEF, EBRD, and more.

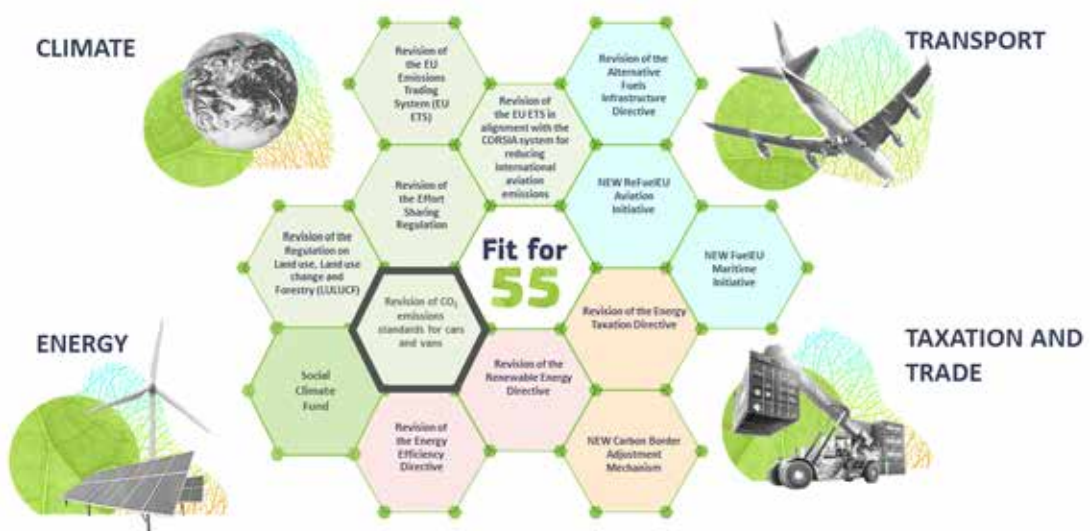
Speakers emphasised the importance of financing green transitions in the EaP region and discussed policy frameworks, including the European Green Deal. UNDP representatives highlighted the contributions of the EU4Climate Project in updating NDCs for several countries and supporting them in communicating their climate goals. Government representatives stressed the significance of financial opportunities and their alignment with policies.

Presentations covered various financing sources, such as multilateral climate funds and national budgets, with a focus on technology. It was emphasised that climate policy should be integrated into a country’s development framework. NDCs were discussed in the context of data-driven approaches and the need to enhance national MRV systems.

The forum highlighted the role of agriculture in addressing climate change, and participants stressed the importance of systemic ambition, inclusion, robust monitoring and evaluation, and continuous learning. In closing, the importance of NDC implementation and finance plans, along with private sector involvement, was underscored. The forum provided opportunities for EaP countries to discuss their climate finance pipelines and interact with various stakeholders for NDC implementation.



Delivering the European Green Deal



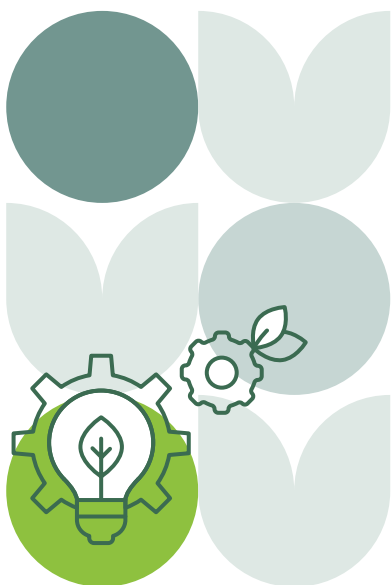
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6.4 KEY NEEDS AND FUTURE STEPS

Future steps include:

- Budget integration:** Climate finance providers like the GCF do not match well with how governments handle money. They usually fund individual Projects instead of bigger climate efforts. This issue affects all EaP countries, whether they can get GCF funds or not. The requirements for getting this money focus on managing Projects and safeguards, which are important for more than just the GCF. Many Projects funded by donors follow complicated processes that do not fit with how governments plan their budgets. If climate finance processes do not change, it makes it hard for governments to get money for Projects they need to meet their climate goals. To fix this, governments need help to work better with their climate goals, make sure budgeting and climate finance match up, especially with the GCF Projects, and make it easier for countries to get GCF money.
- Direct Access:** To improve countries' access to climate finance, especially for implementing their NDCs, it is crucial to establish direct access on a larger scale. Currently in the EaP region, only Armenia can do this through its Environmental Project Implementation Unit. However, to increase climate finance significantly, it is advisable to accredit public or commercial financial institutions, as they can leverage larger-scale
- programs. Supporting the accreditation of these institutions for climate finance can increase the ability of the four GCF-eligible EaP countries to secure financial support for their NDC implementation. In Ukraine, similar support could be offered to establish and initially operate funding mechanisms for NDC-aligned Projects, particularly in areas like energy efficiency. This would greatly improve the countries' capacity to raise funds.
- Integration of Policy Driven Action:** It is essential for all countries to fully align the actions outlined in their climate plans (NDCs and NAPs), their budget planning, and the acquisition of external climate funds from various partners. Currently, no country effectively manages this level of complexity.
- Integration of Sustainable Development Goal:** Another essential requirement in all countries is to combine tagging for SDGs with CBT. Since climate action is just one part of the broader development agenda in EaP countries, integrating SDG tagging is a crucial next step to ensure well-rounded development.



KEY NEEDS AND FUTURE STEPS



In the EaP countries where EU4Climate has worked on CBT methodologies, various needs and obstacles for tracking climate finance were identified and outlined in the table below:



	COUNTRY	IDENTIFIED NEED	BACKGROUND
●	ARMENIA	Lack of unified cross-sectoral climate change policies	Here, climate change policies are spread across different sectors, making it challenging to pinpoint specific actions and their impacts because they are scattered across various departments and blended into sectoral development policies.
		Lack of appropriate mechanism and methodology	A major challenge in incorporating climate change into Public Financial Management (PFM) systems is the absence of suitable methods and processes in budgeting for identifying climate policies, determining their results, assigning codes, and calculating costs.
		Lack of reporting requirements	The absence of legal mandates for reporting on climate change policy spending, along with a lack of clear legislative requirements to receive and utilise such information, results in a lack of accountability mechanisms for climate-related expenses.
		Improper budget coordination mechanism implementation	While coordination with donors and the inclusion of external loans and official grants in budget documents and the treasury system are well-established, budget execution processes don't always align with national procedures as expected.
●	AZERBAIJAN	Lack of climate integration into line ministry planning	Azerbaijan's LEDS and NAP documents, currently under development, must require that ministry investment proposals include the costs of identified adaptation and mitigation priorities. This will help communicate the level of resources needed and enable CBT based on announced policies.
●	GEORGIA	Lack of coherent national climate change policy framework to mobilise finance for climate action	Climate change is not consistently integrated as a key element in various levels of national, sectoral, and sub-national policies. For example, Georgia's Economic Development Strategy "Economy 2030" touches on topics that might relate to climate change, but it doesn't clearly state the connections between economic development and climate change. This lack of effective and consistent mainstreaming across the entire national policy framework hinders the allocation and monitoring of funds for climate change actions.
		Inconsistent stocktaking of investment needs for climate action	One of the critical steps to integrate climate change into Georgia's State Budget and allocate resources for climate-related actions is to accurately assess the financial investments needed to achieve the country's climate goals. However, like many other countries, Georgia faces a challenge in this regard because its main strategic documents lack specific targets and their associated financial needs that can be linked to budget programs.



6.5 CONCLUSIONS

Development of bankable projects: Piloting and demonstration are crucial, especially in climate finance. Help is therefore needed to create Projects that are financially viable. The Local Implementation Guide created by the Project is a big step in the right direction, along with the support given for SECAPs in some EaP countries. As a further step, it would be beneficial to create a capacity-building plan that offers hands-on training in project development for lower-tier administrations in the EaP countries. This could help speed up the flow of climate finance into the region.

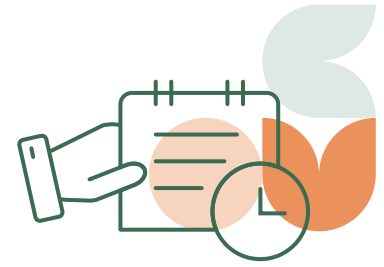
During the development of CBT strategies and guidelines by the UNDP, the following risks and possible solutions were identified:



	RISK	DESCRIPTION	MITIGANT
	Lack of full support from beneficiary governments during implementation	Government support was not always consistent, even though the Project aimed to align with government needs identified during the planning phase. Such inconsistency could be due to frequent changes in governments. Consequently, there is a continued risk of reduced political backing for climate policy in most countries in the region.	To address this challenge, UNDP maintained ongoing conversations with the key institutions in the EaP countries.
	Lack of absorption capacity in beneficiary countries	A lack of capacity is a critical concern in all EaP countries in the field of climate policy.	To tackle this challenge, EU4Climate worked closely with all the ongoing activities within the countries, coordinated the sequencing of activities with other initiatives, and maintained consistent communication with other donors.
	Difficulties in implementing a holistic approach	The Project identified a lack of willingness/capability of other ministries or government agencies to participate in the “holistic approach” needed to fight climate change. Institutional tensions among various stakeholders were also encountered.	In response, UNDP coordinated efforts across ministries and utilized climate policy tools at both the highest political levels and the technical levels across sectors. The Project also made sure to involve high-level representatives from all sectors to garner support for an integrated approach.







RESULT 7 Adaptation planning

7.1. OVERVIEW

Many countries around the world have made significant progress in creating legislation and regulations for adapting to climate change. The adoption of climate change adaptation strategies is a crucial step to initiate and extend the adaptation process, reaching a national and even regional scale.

In the EU, efforts in climate change adaptation are closely linked to the energy sector, which plays a significant role in mitigating greenhouse gas emissions, implementing energy efficiency measures, and promoting renewable energy. In 2013, the EU introduced its *Strategy on Adaptation to Climate Change*, but a 2018 evaluation revealed that vulnerable areas and regions still needed more action to enhance overall resilience.

In 2021, the EU adopted a new *Strategy on Climate Adaptation* with four main goals: making adaptation smarter, faster, more systemic, and enhancing international adaptation efforts. This involves collecting better data on climate-related risks and losses, developing adaptation solutions to reduce climate risks, increase climate protection, and ensure freshwater availability. The strategy also emphasises mainstreaming climate resilience across various policy areas and prioritises macro-fiscal policy integration, nature-based

solutions, and local adaptation efforts. The EU is committed to increasing support for international climate resilience and preparedness through funding, action prioritisation, and global engagement.

The EU4Climate Project aimed to promote resilient and low-carbon development in the six EaP countries. Its objectives included integrating low-emission and climate-resilient approaches into the development plans of these countries by enhancing climate policies, aligning legislation with the Paris Agreement, the EaP “20 Deliverables for 2020,” and global UN sustainable development goals.

The Project aligned with the priorities set in the *Eastern Partnership Ministerial Declaration on Environment and Climate Change* in 2016 and the *Presidency Conclusions of the Second Eastern Partnership Ministerial Meeting on Environment and Climate Change* in 2018. It also contributed to the objectives outlined in the Joint Communication on the Eastern Partnership policy beyond 2020, reinforcing resilience and delivering for all.





7.2 SUMMARY OF ACTIVITIES

UNDP provided support for national adaptation planning in Belarus and Ukraine.

In **Belarus**, UNDP was in the process of developing the National Adaptation Plan (NAP). However, following the Russian Federation's military aggression against Ukraine and Belarus's involvement, Belarus's participation in EU4Climate was suspended as of 24 February 2022. In 2020, UNDP Belarus conducted consultations with the Ministry of Natural Resources and Environmental Protection (MNREP) to understand the country's needs for NAP development. Based on these consultations, a draft NAP methodology and approach were developed and shared with MNREP for review.

In **Ukraine**, UNDP helped develop and adopt crucial adaptation planning documents, including the Environmental Security and Climate Adaptation Strategy by 2030 (NAS)

with an Operational Plan by 2024, and the first draft National Adaptation Communication in 2023. The NAS lays the foundation for Ukraine's adaptation policy, emphasizing the need to assess climate change impacts on society, the economy, and the environment. UNDP also engaged sectoral experts and local authorities in adaptation efforts. Here, UNDP assembled a team of consultants in November 2020 to create the framework for a National Adaptation Strategy and coordinate the newly formed Climate Change Adaptation Working Group (CCA WG). The NAS development process commenced in November 2020, and the CCA WG was established, comprising around 120 stakeholders from various sectors. This group held meetings, webinars, and discussions to advance adaptation efforts in sectors like energy, healthcare, transport, infrastructure, water management, and agriculture. The focus included climate vulnerability analysis and climate finance.



7.3 ACHIEVEMENTS

In **Belarus**, UNDP initiated the development of the NAP. This included a detailed review of institutional mechanisms, coordination, financing, and monitoring for NAP implementation. It also involved analysing the social, economic, and environmental aspects of NAP processes in selected sectors. A roadmap for the NAP was drafted, including stakeholder mapping. A report with climate change scenarios up to 2050 and 2100 was completed, along with three sectoral climate indices for energy, transport, and construction/utilities. The approach and methodology for assessing climate change impacts and vulnerability were also developed.⁶

In **Ukraine**, the Environmental Security and Climate Adaptation Strategy by 2030 (NAS) with an Operational Plan by 2024 was adopted in October 2021. The NAS serves as the foundation for Ukraine's adaptation policy, focusing on assessing climate change impacts on society, the economy, and the environment. It also addresses sectoral and local policies and enhances the use of climate data. The NAS

and Operational Plan were developed in accordance with a presidential decree and a national security council decision from September 2020.



⁶ Ongoing or planned activities in Belarus were suspended due to Russia's military aggression against Ukraine and Belarus's involvement.



7 EU4Climate SUCCESS STORY

EU and UNDP train Ukrainian specialists in climate change adaptation planning towards local adaptation plans

Kyiv, 22 September 2023 – Just before the UN Climate Ambition Summit 2023, UNDP in Ukraine partnered with Ukraine’s Ministry of Environmental Protection and Natural Resources to hold workshops through the EU4Climate Project. Over 300 people from more than 100 Ukrainian cities learned about climate change adaptation planning online. Seven cities, including Kyiv, Vinnytsia, Khmelnytskyi, Ivano-Frankivsk, Lutsk, Zaporizhzhia, and Bucha, took part in the in-person workshop.

With the help of experts from EU4Climate, Covenant of Mayors – East and APENA3 projects identified climate adaptation measures and integrated into their city plans.

Victoria Kyreieva, Deputy Minister of Environmental Protection and Natural Resources of Ukraine, thanked interna-

tional partners for supporting climate policy reforms and emphasised the importance of a green recovery in Ukraine.

Chloe Allio from the EU Delegation to Ukraine stressed the importance of considering the environment and climate in post-war reconstruction.

Roman Shakhmatenko, Team Leader of UNDP in Ukraine’s Energy and Environment Portfolio, highlighted UNDP’s role in bringing together various efforts to implement the “build back better” principle with a focus on climate adaptation.





7.4 KEY NEEDS AND FUTURE STEPS

The state policy on environmental security and climate change adaptation aimed to achieve its goals in two stages:

1. **By 2025**, the plan was to stabilise the environmental situation by implementing European environmental regulations and standards in various areas like industrial pollution, waste management, air quality, forest management, water management, biodiversity, and chemical safety. This included assessing risks and vulnerabilities in social, economic, and natural sectors affected by climate change and forming priority adaptation measures. Additionally, a financial and economic mechanism will be introduced to promote environmentally and climate-friendly changes in the economy. The dissemination of environmental and climate knowledge and increased readiness to respond to climate-induced natural disasters were also on the agenda.
2. **By 2030**, the goal was to make significant progress in enhancing environmental security and adapting to climate change effects. This involved increasing the country's readiness to prevent and respond to climate threats, striking a balance between social and economic needs and environmental security objectives, and integrating climate-related considerations into sectoral policies and socioeconomic development strategies. Continuous and immediate environmental and climate monitoring would be ensured. Effective partnerships between the government, businesses, the public, and academia in environmental protection and low-carbon development would be promoted, further driving Ukraine's social and economic development.



7.5 CONCLUSIONS

The overall goal of the EU4Climate Project was enhanced resilient and low carbon development in the six EaP countries. The main objectives were for low-emissions and climate resilience to be integrated into development strategies and plans in the countries, through improved and consolidated climate policies and legislative alignment in support of the implementation of commitments to the Paris Agreement.

The Project also translated into action priorities outlined in the Eastern Partnership Ministerial Declaration on Environment and Climate Change of October 2016 and in the Presidency Conclusions of the Second Eastern Partnership Ministerial Meeting on Environment and Climate Change of November 2018. Furthermore, it contributed to achieving the objectives set up in the Joint Communication: "Eastern Partnership policy beyond 2020: Reinforcing Resilience – an Eastern Partnership that delivers for all."

Under the EU4Climate Project, Support for national adaptation planning was provided to Belarus and Ukraine.

UNDP Ukraine helped towards the development and adoption of key adaptation planning documents, including the Environmental Security and Climate Adaptation Strategy by 2030 (NAS) with an Operational Plan by 2024, and the first National Adaptation Communication (in 2023).

UNDP Belarus was in the process of NAP development but the participation of Belarus in the EU4Climate was suspended on 24 February 2022, following the Russian Federation's military aggression against Ukraine.

In Ukraine, the first National Adaptation Communication was developed and adopted in 2023.





ASSISTANCE TO WAR IMPACTED POPULATION OF UKRAINE

OVERVIEW

Since the start of the large-scale Russian aggression in February 2022, the Steering Committee of EU4Climate approved a decision to repurpose a part of the Project's resources towards emergency response. Specifically, the revised workplan for activities in Ukraine includes three additional activities contributing to addressing humanitarian needs: a) the procurement of medical equipment; b) providing support to internally displaced people (IDPs) in Ukraine; and c) assisting war-impacted municipalities in Ukraine.

ACHIEVEMENTS

Procurement of Negative Pressure Wound Therapy Equipment

The Ministry of Health agreed on the procurement of negative pressure wound therapy equipment in May 2023. The Ministry selected three hospitals in Dnipro, Kremenchuk and Lutsk to be recipients of this medical equipment. The procurement was initiated in mid-May through the UNDP global procurement unit. The medical equipment for a total value of \$445,000 was delivered to the hospitals in September 2023.

SUMMARY OF ACTIVITIES

Frankfurt Zoological Society (FZS) Activities

One of the Project partners, the Frankfurt Zoological Society (FZS), has been conducting activities related to emergency support for IDPs located in or near protected areas. Most of this IDP support is focused on the Carpathian region where 13 target protected areas of the FZS are located. The focus of support has been on food and hygiene products. As IDP numbers are rather stable and accommodation is largely set up, the provision of subsistence goods was the most important action implemented. The FZS finalised its tasks for the IDPs in April 2023 amounting to some \$43,000.

Association Energy Efficient Cities of Ukraine

The other partner "Association Energy Efficient Cities of Ukraine" has purchased twelve generators for the territorial communities of Pokrovsk, Novopokrovska, Blyzniukivska, Chuguyivska, Mykolaivska, Druzhkivska, Kratomorsk, Mykolaiv and two for villages in Kharkiv oblast. The total amount of spent resources is about \$46,000.







CONCLUSIONS

EU4Climate Action, funded by the European Union (EU) under the European Neighbourhood Instrument (ENI) East Regional Action Programme, aimed to help Eastern Partnership (EaP) countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine) develop and implement climate policies. This would contribute to their low emission and climate-resilient development, aligning with their commitments to the Paris Agreement on Climate Change. The Project ran from 2018 to 2023 with a budget of EUR 8.8 million, of which EUR 8 million came from the EU and EUR 800,000 from UNDP as co-funding. The Austrian Environment Agency and the Energy Community Secretariat partnered in the Project.

EU4Climate mainly focused on creating strategic climate policy documents and aligning with the EU climate policies and legislation. Thanks to the Project, five EaP countries advanced their Nationally Determined Contributions (NDCs) to the Paris Agreement, and four developed low emissions strategies. Work focused on mainstreaming climate change into other sectoral policies, producing 17 studies with recommendations for energy, waste, agriculture and gender, among others. Climate finance and adaptation to climate change also figured prominently. In four EaP countries, the Project conducted gap analyses and roadmaps for Monitoring, Reporting, and Verification (MRV), consulting with stakeholders in the process. Countries developed legislation on fluorinated gases, ozone depleting substances, monitoring and reporting, accreditation and verification aspects of the EU emissions trading system, monitoring and reporting for national GHG inventory systems, as well as started preparing their climate change laws (Armenia, Moldova and Ukraine).

Despite challenges posed by the COVID-19 pandemic and Russia's war on Ukraine, the Project adapted its implementation and successfully achieved its goals, utilising 89% of its budget by October 2023. An addendum to the contract in late 2022 enabling adjustments to the Project description and a no-cost extension, allowed full achievement of Project outcomes. A terminal evaluation

by UNDP in 2023 stated that EU4Climate effectively met its objectives, surpassing original goals.

During the Project duration, Georgia, Moldova, and Ukraine applied for EU candidate status in March 2022. In June 2022, Ukraine and Moldova were granted EU candidate status, and Georgia received a European perspective. However, EU analytical reports in 2022 and 2023 emphasised that intense efforts were needed for these countries to align their climate policies and frameworks with the EU. In November 2023, the European Commission proposed in their enlargement package that accession negotiations are opened with Moldova





and Ukraine, and that Georgia is given a candidate status; confirmed by the decision of the European Council on 14 December 2023.

In the next steps, identifying pathways for the implementation of measures contained in NDCs, LEDS and NAPs should be a priority, particularly through supporting the design and operationalisation of MRV and carbon pricing systems, and crucially enabling the scale-up of sustainable finance.

This could be achieved through a shift from policy development toward implementation, with a focus on mainstreaming climate considerations across sectors and at the municipal and subnational levels, strengthening the foundational systems required for effective implementation and stimulating advancements in sustainable finance.

The work should focus on the adoption and implementation of concrete instruments and policies, increasing administrative capacity, establishing effective coordinating mechanisms and inter-sectorial cooperation as well as on an increased involvement of other actors, such as industry, finance institutions, non-governmental sector, academia, and sub-national government and include demonstration or pilots to generate buy in and sustainability as the ultimate goal.





Funded by the European Union

EU4Climate

Better Climate Policies for Eastern Partner Countries



The **EU4Climate Programme** helped governments in the six EU Eastern Partner countries to take action against climate change. It supports countries in implementing the Paris Agreement and improving climate policies and legislation.

EU4Climate assisted the EaP countries to integrate the low-emissions and climate resilience objectives into development policies and plans, to improve and consolidate climate policies and legislative alignment. Its ambition was to limit climate change impact on citizens' lives and make them more resilient to it.

The Programme built on important achievements of past cooperation programmes, such as the EU's ClimaEast Programme, which supported Climate Change Mitigation and Adaptation in Neighbourhood East and was completed in 2017. EU4Climate directly contributed to the targets of the Joint Staff Working Document "Recovery, resilience and reform: post 2020 Eastern Partnership priorities", adopted in July 2021.

The scope of the Programme was defined in cooperation with all partner countries. The Initiative was implemented by the United Nations Development Programme. The European Commission provided the overall policy direction.



Armenia, Azerbaijan, Belarus⁶, Georgia, Republic of Moldova, Ukraine



2019-2023



EUR 8.8 million
(EU contribution: EUR 8 million)



United Nations Development Programme (UNDP)



European Commission

⁶ NParticipation of Belarus in the EU4Climate was suspended as of 24.02.2022 until further notice

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