

FACILITATIVE SHARING OF VIEWS - MONTENEGRO

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National context

- ▶ The MESPU is the main national entity responsible for national environmental and climate change policy and the National Focal Point to the UNFCCC. The CCD at the MESPU is responsible for submitting national reports (NCs and BURs) to the UNFCCC. Up to the end of 2021, development of the NCs/BURs was fully supported by UNDP, which hired and coordinated the experts, through GEF-funded projects. As of 2022, the MESPU will be fully in charge of the development of NCs and BTRs, while UNDP will have an oversight role. Agency for the Environment protection has main responsibility for preparation of GHG inventory.
- ▶ In December 2022, the National Council for Sustainable Development (NSOR) was established. At the same time, the Working Group for Mitigation and Adaptation to Climate Change was formed as a permanent working body of the Council. Members of the workforce are appointed from state administration authorities responsible for certain sectors, local administration, scientific, professional, public and other workers, employers' associations, representatives of civil society associations operating in the field of climate change, independent experts and youth representatives.
- ▶ The Environmental Protection Agency continues to implement the climate change policy, in the context of preparing the greenhouse gas inventory.





GHG inventory

| YEAR/SECTOR | Energy | IPPU | Agriculture | LULUCF | Waste | Total | Total WO LULUCF | Emisije | Ponori |
|------------------------|----------|----------|-------------|-----------|--------|----------|-----------------|---------|--------|
| 1990 | 2.748,26 | 1.704,68 | 621,50 | -1,589.84 | 217,97 | 3.702,56 | 5.292,40 | 69,96 | 30,04 |
| PERCENT | 51,93 | 32,21 | 11,74 | | 4,12 | 69,96 | | | |
| | | | | | | | | | |
| 2019 | 2.701,70 | 376,89 | 271,57 | -2,503.93 | 273,08 | 1.119,31 | 3.623,25 | 30,89 | 69,11 |
| PERCENT | 74,57 | 10,40 | 7,50 | | 7,54 | 30,89243 | | | |
| REDUCTION 1990-2019u % | 1,69 | 77,89 | 56,30 | 57,48 | 25% | 69,77 | 31,54 | | |

- The preparation of the "Fourth National Report on Climate Change" is underway, greenhouse gas emissions for the period 1990-2021 will be calculated.
- The purpose of the Twinning light project "Development of Upgraded Integrated Tool" was to build the capacity of Environmental Protection Agency of Montenegro (NEPA) for regular reporting on air emissions and emissions of greenhouse gasses (GHG) and to enable the sustainability of the national air emission and GHG inventory system. The project was implemented in cooperation between the beneficiary institution (EPA) and the Environment Agency Austria and MS Experts of the Environment Agency Germany.
- Ministry of Ecology prepared draft of new Law which is fully aligned with Climate Law and Governance regulation. With this law we will fully improve reporting in the area of mitigation and adaptation of climate change.





Mitigation actions and effects

- ▶ The revised NDC, adopted by the Government of Montenegro and submitted to the UNFCCC Secretariat in June 2021, represents the country's increased political commitment to cut GHG emissions. In line with the revised NDC, Montenegro has set the new target of reducing its GHG emissions by 35% by 2030, compared to 1990 (excluding LULUCF), i.e. reducing its GHG emissions by 2,117 Gg CO₂eq by 2030. Our new goal is 55% emission reduction.
- ▶ 25 mitigation policies and measures were identified: 17 in the energy sector; four in the sector of industry and product use; two in the agricultural sector; and two in the waste sector.

The main results of the performed analysis are summarized below:

- Under the WOM scenario, total GHG emissions from all sectors are expected to drop by 22.91% by 2030 compared to 1990. In addition to that, the fastest-growing sector in terms of emissions is the waste sector, with a 137% rise by 2030 against the levels from 1990.
- Under the WEM and WAM scenarios, total GHG emissions in 2030 will drop by 15.70% and 28.69%, respectively, against the WOM scenario. • Under the WEM and WAM scenarios, total GHG emissions by 2030 will drop by 35.02% and 45.03%, respectively, compared to the base year of 1990.
- Under the WEM scenario, future GHG emissions peak in 2025, at 3,511 Gg CO₂eq; under the WAM scenario, they peak in 2024, at 3,463 Gg CO₂eq. • The WEM scenario envisages a 7.01% drop in the GHG emissions from the energy sector compared to the level in 1990, and a 6.88% rise in the waste sector, also compared to 1990; the emissions from the IPPU and agriculture sectors will drop by 76.24% and 63.31%, respectively, compared to 1990.
- The energy sector still predominates in both mitigation scenarios, with the respective shares of 75.11% (WEM) and 72.28% (WAM) out of total emissions in 2030. Still, set against the reference WOM scenario, the GHG emissions from energy under the WEM scenario are 36.68% lower, while the GHG emissions under the WAM scenario are 48.46% lower in 2030. For this reason, most of the proposed mitigation policies and measures relate to the energy sector



- ▶ The Ministry of Ecology, Spatial Planning and Urbanism, together with the Ministry of Capital Investments, has continued to work on the National Energy and Climate Plan (NECP), which should be adopted by the end of 2024. The plan will enable the implementation of necessary measures to meet the strategic goals by 2030. Transition to a low-carbon economy by 2050 is still our goal.
- ▶ In recent years, a volume of investments for the development of energy infrastructure in Montenegro have been increased. New major investments have supported cross-border flood risk management, green economy growth and energy efficiency improvements. Other major investments were focused on the reconstruction of existing hydropower plants, construction of new wind and hydropower plants and various other activities. The development of renewable energy sources has been set as a priority for the next period in accordance with international obligations. For this reason, additional major investments are planned and are already being implemented in order to develop this sector.
- ▶ Through the World Bank Partnership for Market Implementation (PMI) program, Montenegro received 2 million US dollars grant to develop the Readiness Support Plan (RSP) for carbon pricing. The project activities have already started. The ultimate goal is to establish a stable national system of carbon pricing in accordance with EU policy requirements. At the same time, we received support from the World Bank for the development of the Low Carbon Development Strategy Framework. This activity will include preparatory activities for the development of a detailed Low-carbon development strategy and its implementation.
- ▶ As far as latest developments in Montenegro in the field of climate change is concerned, main activities have been related of the drafting the new Law on protection against adverse impacts of climate change, which will be adopted by the end of this year. The main motivation behind the adoption of the new law is improvement of legislative framework for protection against the negative effects of climate change and further harmonization with the EU acquis in this field, as well as fulfillment of obligations defined by the Energy Community Decarbonization Roadmap





Support received and needed (finance, technology, capacity-building)

- ▶ The implementation of international and national commitments in the field of climate change has continued, as evidenced by the number of initiated and adopted strategically important documents (revised NDC, NECP, NAP).
- ▶ Owing primarily to the support from international institutions, the greatest progress has been made in enhancing the capacity needed to design long-term policies in the field of climate change, enhancing the capacity needed to access funding sources at the national and local levels, as well as in continuing to enhance the capacity for the preparation of GHG inventories in the competent institution.
- ▶ The key challenges are still in the area of the permanent need to build and enhance the capacity to plan and implement climate policy, which must be increasingly integrated into all relevant national policies and strategies.
- ▶ This refers to all key aspects in the field of climate change, such as: a Greenhouse Gas Inventory and reporting capacities, climate change mitigation and adaptation policies and the establishment of a functioning MRV system, including the MRV system for market mechanisms that contribute to GHG emission reduction, i.e. for the ETS system which has been partially established in Montenegro.



- ▶ The estimated financial needs to achieve the national goal of reducing GHG emissions set in the Revised NDC for the period until 2030 is €2,655.31 million.
- ▶ The total value of projects proposed as priority activities for Montenegro's cooperation with the GCF for the period 2021-2023 amounts to US\$176 million, where the GCF is expected to provide support amounting to US\$75.4 million, while the rest is projected co-financing.
- ▶ Finally, the funds required to reach environmental standards that would ensure accession to the European Union are estimated at €482,996,838. Specifically, for the field of climate change, the estimated funds amount to €87,348,790, of which donors are expected to provide €2,145,000 as their support. During the reporting period (2019-2021), Montenegro received US\$3,492,767 for the implementation of climate change projects. Of this amount, US\$352,000 was received from the GEF to support the preparation of the Third BUR.
- ▶ PMI, Low Carbon Development Strategy, NAP, Tratolow





ETF transition and implementation

- ▶ The Ministry of Ecology, Spatial Planning and Urbanism, in cooperation with the United Nations Development Program - UNDP, implements the project "Biennial Transparency Report (BTR) and Fourth National Communication" according to the national implementation modality. With this project, the Ministry will update the GHG inventory 1990-2021. years, increase transparency in the field of climate change. The project is expected to be finalized by December 2024. National and international consultants were selected whose task is to analyze national policies and measures to reduce greenhouse gas emissions (including their gender sensitivity and impact) as well as projections of GHG emissions until 2040 in the main sectors,
- ▶ The Ministry of Ecology, Spatial Planning and Urbanism actively continues the implementation of the project "Strengthening the Montenegrin Nationally Determined Contribution (NDC) and adaptation actions within the framework of transparency - CBIT"
- ▶ The goal of the CBIT project is to strengthen the capacity of national institutions in the field of climate change, including synergistic action in terms of transparency, as well as adopting or improving methodologies (manuals) and improving data to increase transparency, in order to achieve low-carbon development. In Montenegro, the focus will be on strengthening the capacity of national institutions that are responsible for policies and measures in the field of mitigation and adaptation, as well as those that collect data for the inventory of greenhouse gases and prepare national reports on the inventory. The project will enable the creation of a fully operational national system for monitoring, reporting and verification (MRV), including a clear definition of the roles and responsibilities of all relevant actors, fully developed methodologies, procedures and guidelines (MPG) for the various elements of the system, as well as a web portal with all the necessary information related to mitigation, inventory of greenhouse gas (GHG) emissions, financing of activities in the field of climate change, etc. Finalization of the project is expected by the end of 2024.
- ▶ Project implementation contracts were signed with the Environmental Protection Agency and the Statistics Authority, which are focused on and implement activities for: improvement of greenhouse gas inventory data, development and implementation of a quality assurance and control plan, improvement of national capacities for the preparation of GHG inventories and its management, reporting on national sectoral emissions inventories by source type and removal by sink of all GHG emissions.
- ▶ A contract was signed with the Institute for Hydrometeorology and Seismology in order to develop the chapter "Vulnerability and risk assessment, impact of climate change and adaptation measures to climate change in the field of meteorology and hydrology.



Thank you for your attention !

Questions?

