



ADAPTATION FUND

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25 September 2026

Adaptation Fund Board
Project and Programme Review Committee
Thirty-eighth Meeting
Bonn, Germany, 19-23 October 2026

PROPOSAL FOR MONTENEGRO



ADAPTATION FUND

**ADAPTATION FUND BOARD SECRETARIAT
TECHNICAL REVIEW OF PROJECT PROPOSAL FOR
"SKILLS FOR CLIMATE-RESILIENT FUTURES "**

Project Title Skills for climate-resilient futures

Project ID AF00000533

Category Regular size project (over \$1 million)

Type Single country project

Stage Concept

Country Montenegro

Implementing Entity IBRD

Financing Requested USD 15,000,000.00

Reviewer Ahmad Ghosn

Co-reviewer(s)

IE Contact Person

Alejandra Bustamante, Gillian Cerbu, Zhihong Zhang

Secretariat's Overall Comment

The project “Skills for climate-resilient futures” aims to strengthen climate resilience in Montenegro by bolstering the skills of current and future workers in priority adaptation sectors, and lay the foundations for climate resilience attitudes and behaviors early on through the education system while enhancing climate resilience of the system itself.

The proposal includes a request for a project formulation grant of USD 150,000.

The initial technical review raises several issues, such as project Outcomes and Outputs, Theory of Change, Quantification of benefits, Cost effective analysis, Technical standards, Sustainability, Environmental Impacts and Risks, the Consultative process, and Alignment with the AF Results Framework to name a few, as is discussed in the number of Clarification Requests (CRs) and Corrective Action Requests (CARs) raised in the review.

The second technical review finds that many of the CRs and CARs raised in the first technical have been addressed. However, several still warrant further clarification including: revising components financing table, specifying AF outcomes supported by the project, inclusion of the related projects table in related section, adding some missing dates for applicable national standards, providing more details on the learning and knowledge aspects, providing a summary table for the consultations, revising the sustainability discussion as per AF requirement, revising the AF RF alignment table, among other issues and notes raised in the review.

Country Eligibility

Is the country party to the Kyoto Protocol, or the Paris Agreement?

Response: Yes

Secretariat: Yes.

(12 June 2026)

Is the country a developing country particularly vulnerable to the adverse effects of climate change?

Response: Yes

Secretariat: Yes. Montenegro is highly vulnerable to droughts due to reduced summer rainfall and an increasing number of days with high daytime temperatures. The country is also vulnerable to floods (particularly river and urban floods), wildfires and heat waves. Earthquakes have also been listed among the climate related hazards even though they are geophysical in nature, because their impacts are compounded by climate related hazards such as floods and landslides.

(12 June 2026)

Project Eligibility

Has the designated government authority for the Adaptation Fund endorsed the project/programme?

Response: Yes

Secretariat: Yes.

As per the Endorsement letter dated 13 March 2026.

(12 June 2026)

Does the length of the proposal amount to no more than Fifty pages for the project/programme concept, including its annexes?

Response: Not Cleared

Secretariat: Yes. The total number of pages is 47.

CAR 1: The proposal could benefit from the following:

1. The inclusion of a List of Abbreviations.
2. All tables and figures should be labelled and numbered
3. The inclusion of a Table of Contents

(12 June 2026)

Response: Not Cleared

Secretariat: CAR1: Not cleared. Please address the following:

1. Add lists of tables and figures (note: table of contents and lists of abbreviations, figures and tables will not count towards AF document length limit). Also, reflect the lists of abbreviations, tables, figures and annexes (if any) in the table of contents.
2. Revise table of contents to include all document sections.
3. Add table numbers and headings for components and financing table, project calendar, and alignment with AF RF table.
4. In project calendar specify the month and year for terminal evaluation.
5. Spell out abbreviations when first used and refer to tables, figures, annexes (if any) at related discussions.
6. Conduct a round of editing/ proofreading after revising the document to address the review comments.

Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?

Response:

Not Cleared

Secretariat: Yes, however additional information is required.

The project aims to (i) strengthen climate resilience in Montenegro by bolstering skills of current and future workers in priority adaptation sectors and (ii) lay the foundations for climate resilient attitudes and behaviors early on through the education system while enhancing climate resilience in the system itself. It proposes to achieve this objective through three components – (1): Skills for greater climate resilience in priority adaptation sectors, (2): Foundations for climate resilience attitudes and behaviors and (3) Learning and Knowledge Management

The Project/Programme Components and Financing Table (pp 10 – 12) as well as Part II A (pp 14 – 23) describe the project components, outcome and activities.

The project contains a set of activities suited to addressing the climate change impacts and the activities lead to substantial tangible outcomes that build long-term resilience such as stronger human capital, safer infrastructure, and better institutional preparedness. However, the outcomes and outputs need to be stated in more measurable terms to be able to determine whether the requested investment is justified.

The bulk of the financing requested (76%) is allocated to Component 2 (Foundation for climate-resilient attitudes and behaviors), seems to be targeted at infrastructural development. There are, however, other aspects of building resilience which were not considered, such as (i) Apprenticeships, internships, employer partnerships, certification pathways, and sector-specific job placement support for development of Climate Skills; (ii) School emergency preparedness plans, evacuation drills, asset maintenance plans for school infrastructure resilience (iii) Formal community-school resilience committees, parent outreach, local adaptation fairs, or student innovation showcases to promote greater student engagement and (iv) Case studies, policy briefs, implementation toolkits, replication guides, and a scale-up roadmap for learning and knowledge management. These could be incorporated into other Outcomes and Outputs in the other components.

CAR 2: Please consider the inclusion of additional Outcomes and Outputs among the components.

CAR3:

1. Please include only the Outcomes and Outputs in the Project Components and Financing Table. Delete the activities.
2. Please include the grant amount in the Project Components and Financing Table at the output level.

The proposal does not include a coherent Theory of Change which shows the suitability of the activities in responding to the threats posed by the likely climate scenarios.

CAR4: Please include a Theory of Change diagram and text which shows a coherent link between the likely climate scenarios and the outcomes, outputs and activities. The ToC should also include the Risks and Assumptions.

CAR5: At Part I under project objective please indicate how AF Strategic Objectives.

(12 June 2026)

Response: Not Cleared

Secretariat: CAR2: Cleared. See pp. 13-19, and IE response.

CAR3: Not fully cleared. In the components financing table, please add rows to indicate total for each component.

CAR4: Cleared. See Figure 1, p. 37.

CAR5: Not Cleared. At the end of the “Objectives” in Part I, or as appropriate in Part IIA, please add a brief paragraph that clarifies the AF objectives/ outcomes supported by the project (related information can be extracted from the AF RF alignment table in Part IIIA).

Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?

Response: Cleared

Secretariat: Yes, however additional information is required.

Part II B (pp 23 – 25) describe the economic, social and environmental benefits of the project. The benefits to be provided to marginalized and vulnerable groups such as disadvantaged youth, students from socio-economically disadvantaged backgrounds and women have been outlined.

However, there are very few quantitative estimates, particularly of the economic and environmental the benefits (e.g. what is the estimated value of the avoided disaster and repair costs?). The Project Background specifically mentioned women in Roma and Egyptian communities but these groups were not specifically mentioned among the beneficiaries.

The project could be improved by better aligning the benefits to the project outcomes - emphasizing resilience, avoided losses, and improved adaptive capacity and linking the benefits to the project’s target groups. Identify who benefits economically, socially, and environmentally: students, teachers, school leaders, communities, students from the Roma and Egyptian communities and the public sector and how.

The findings of an initial gender analysis are presented in the proposal. This analysis was conducted as part of the CPF (2025 – 2029), but the proposal does not state what CPF stands for. In that regard please refer to CAR I (1) and clarify the acronym.

CAR 6: Please strengthen the economic, social and development context section of the proposal at Part I including by:

1. Including where possible quantitative estimates of the benefits;
2. Addressing the context of the education sector that is being addressed interwoven in that sub-section.

CAR 7:

1. Please align the benefits to the project outcomes and indicate the main beneficiaries. For example, explain exactly how retrofitted schools reduce repair costs, how training improves system capacity, and how nature-based solutions lower heat exposure.
2. It is understood that further studies will be done at the fully developed proposal stage however, an estimate of beneficiaries is needed. Please also indicate the approximate number of direct and indirect beneficiaries.

CAR 8: Please elaborate on steps to be taken to ensure that the project will not unintentionally increase risk,

harm, or future vulnerability of beneficiaries or non-beneficiaries, nor reduce their capacity to adapt to climate change.

CAR9: Please strengthen the initial gender assessment by;

1. indicating how the project will integrate gender-responsiveness.
2. Providing qualitative and quantitative data for gender roles, activities, needs, and available opportunities and challenges or risks for men and women relevant to the project.
3. Move from the general to the specific (focus on the target areas and beneficiaries) as the information presented in the two paragraphs are very broad.

CAR10: At Part II Section B, in final sentence please also insert a sentence to indicate compliance with AFs ESPs.

CR1: Please address the following:

1. On activity 1.4 please elaborate to indicate at what level the research grants will be allocated, at the institutional level, etc. Also please indicate the intention of the “new body of evidence” to be generated and how it is linked to other aspects of the proposal or other ongoing activities in the country.
2. On activity 1.5 please indicate what the concrete adaptation action that it will lead to in the current project.
3. On component 2 please expand the preamble to address outputs of the component that are linked to the infrastructural elements as well.
4. On activity 2.2.2 please clarify how the projects for the “student led climate adaptation projects” will be generated.
5. Please clarify how 2.2.1 and 2.2.3 are different either in a paragraph under 2.2.1 or under 2.2.3. One would assume that the teachers implementing 2.2.1 are the ones also receiving training under 2.2.3. Based on the current presentation of 2.2.1 would not 2.2.3 be repetitive? Please clarify.

CAR11:

1. Please confirm that the fully developed proposal will contain no USPs based on a review of AF USP Guidance Document based on the final paragraph on page 16 which begins ‘The type of interventions...’.
2. At this stage the regions/communities for the proposed activities to be undertaken should be clear e.g. Activity 2.1.2 based on the preliminary research already identifies a region. Please include the indicative areas of the proposed interventions to ensure compliance with the USP policy.

(12 June 2026)

Response: Cleared

Secretariat:

CAR6: Cleared. Sufficient for CN stage. See Part IIB, pp. 37-45.

CAR7: Cleared. See Part IIB, Table 12, pp. 37-38.

CAR8: Cleared. See Part IIB, p. 45.

CAR9: Cleared. See Part IIB, p. 45.

CAR10: Cleared. See Part IIB last paragraph, p. 45.

CR1: Cleared. See Part IIA, components 1 and 2, pp. 20-33.

CAR11: Cleared. See Part IIA, pp. 24-29.

Is the project / programme cost effective?

Response: Cleared

Secretariat: Yes, however additional information is required.

Part II C (pp 25 – 27) describes the analysis of the cost-effectiveness of the proposed project. The section provides a logical explanation of the scope and approach. For each component, a comparison is made of the project's costs against key adaptation results such as safer schools, fewer disruptions to learning, stronger climate-resilient skills, and improved institutional capacity, thereby showing how benefits are maximized and costs minimized by reducing future damages, enhancing learning outcomes and strengthening community resilience.

However, the cost effectiveness from a sustainability perspective was not adequately stated.

CAR 12:

1. Please include information on how cost-effectiveness will be addressed from a sustainability point of view.
2. Present quantitative metrics for components 1 and 3
3. Present alternative scenarios preferably in a tabular format.

(12 June 2026)

Response: Cleared

Secretariat: CAR12: Cleared. Sufficient for CN stage. See Part IIC, pp. 46-47). A more detailed cost-effectiveness analysis would be required at full proposal stage.

Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?

Response: Not Cleared

Secretariat: Yes, however additional information is required.

Part II D (pp 27 – 28) describes how the project is consistent with national , sub-national sustainable development strategies. Two strategic plans are mentioned - Montenegro's Climate Change Adaptation Plan (2025 – 2035) (CCAP) and the Education Reform Strategy 2025 – 2035. The areas where these strategies are aligned with the project are also stated. However, some other adaptation-related plans, strategies and targets including those at the sectoral level (e.g. the NDC, the sectoral plans for agriculture, health, water and tourism), were not mentioned.

CAR 13: Please summarize the information about the projects in a table which presents information on the name of the plan/strategy, the dates, how they are aligned with the project and the relevant project outputs

CR 2: Please include the relevant sectoral (e.g. water, health, tourism, agriculture) strategies and plans, if available.

(12 June 2026)

Response: Not Cleared

Secretariat: CAR13: Not fully cleared. Please move Table 5 from Part IID to Part IIF on Duplication and delete reference to this table in Part IID discussions.

CR2: Cleared. See Part IID, Table 4, pp. 48-50.

Does the project / programme meet the relevant national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?

Response: Not Cleared

Secretariat: Unsure.

Part II E (pp 28 – 31) describes how the project meets relevant national technical standards. The Section lists the World Bank Environmental and Social Standards to which the project will adhere and states that the project will adhere to the country's national building codes. However, those codes are not listed neither is there information on the measures which will be put in place to ensure compliance.

CAR 14: Please prepare a comprehensive listing of the relevant building codes and other regulations as well as other sector specific regulations and indicate the measures to be put in place by the project to ensure compliance. This information may be summarized in a Table.

CAR 15: The description of the measures to be taken for compliance with the World Bank's Environmental and Social Standards may be better placed in the table in Section K on Environmental and Social Risks and Impacts but stated in terms of the AF rather than World Bank Standards. See also CAR10.
(12 June 2026)

Response: Not Cleared

Secretariat: CAR14: Not fully cleared. Please add the dates/ years of the listed standards.

CAR15: Cleared. Apparently, the mentioned information has been deleted/ moved, but does not show on the TC version.

Is there duplication of project / programme with other funding sources?

Response: Not Cleared

Secretariat: Yes, however additional information is required.

Part II F (pp 30 – 32 and Table 3 (p 31) lists the on-going capital investment projects, including the funding sources, value, years of implementation and a description of the goal of the respective projects. The section states that complementarity be ascertained during the full project development stage. However, the listing does not provide information on the linkages and synergies, nor the lessons learned from earlier initiatives

CAR 16: Please prepare a table which lists the relevant potentially overlapping projects, their respective years of

implementation, budgets; their objective and focus, synergies with the current proposal, lessons learned and considerations for design and areas of complementarity or no duplication.

(12 June 2026)

Response: Not Cleared

Secretariat: CAR16: Not cleared. Please move/ include Table 5 in Part IIF and ensure that the start and end dates of all the listed projects are included/ indicated.

Does the project / programme have a learning and knowledge management component to capture and feedback lessons?

Response: Not Cleared

Secretariat: Yes, however, additional information is required.

Part II G (pp 32 – 33) describes the learning and knowledge management component of the project. It indicates that Component 3 is dedicated to learning and knowledge management and Component 2 aims to develop, inter alia a “climate resilient network” which would provide a platform for educators to share resources and exchange experiences. The section describes various methods which will be used to gather and disseminate the lessons learned to stakeholders but it does not show how the project enables keeping track of experiences gained and analyzes them periodically to enrich the global, national and local knowledge on climate change adaptation and to accelerate understanding about what kinds of interventions work.

CAR 17: Please include activities which will enable on how the project will track experiences gained and analyze them periodically to enrich the global, national and local knowledge on climate change adaptation and accelerate understanding about what kinds of interventions work.

CR3: Under activity 3.1 please clarify the “related activities” associated with capacity building workshops.
(12 June 2026)

Response: Not Cleared

Secretariat: CAR17: Not cleared. Please provide a summary of the learning and knowledge activities of component 3 in Part IIG. Also, indicate other knowledge aspects related to the means of disseminating of the project outcomes/ information, among others.

CR3: Cleared. See p. 34.

Has a consultative process taken place, and has it involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?

Response: Not Cleared

Secretariat: Yes, however additional information is required.

Part II H (pp 35 – 36) describes the consultative process. This entailed consultations with relevant national

authorities, local stakeholders as well as other development partners. A hybrid approach, combining in-person consultations and virtual discussions was used to expand the reach of the initial consultations. The main findings of the consultations were mentioned as well as how they were incorporated into the project design. However, there is no mention of gender considerations nor the target areas where marginalized and vulnerable groups and indigenous peoples are located to ensure that their interests and concerns were taken into account. The proposal does, however, state that the consultations will be complemented by inclusive and gender responsive engagement with non-government stakeholders who may be affected by the project, with particular attention to vulnerable and marginalized groups.

CAR 18:

1. Please prepare an Annex or Table with the following information: location and date of the consultation, the topics discussed, the list of attendees (gender disaggregated, Consultation Outcomes / Key Findings and Considerations Integrated into Project Design.
2. Please highlight an preliminary engagements/consultations with the recipient communities, regions and their representatives.

(12 June 2026)

Response: Not Cleared

Secretariat: CAR18: Not fully Cleared. Please revise and consolidate Tables 7 and 8 in one summary table. The summary table should include consulted entity/ community and date, number of participants disaggregated by gender, topics discussed, outcomes and how they were considered in project design.

Also, refer to consultations conducted with local communities, and clearly indicate in a dedicated paragraph that further consultations with the key stakeholders/ partners, beneficiaries, concerned local communities will be conducted during the full proposal preparation stage.

Is the requested financing justified on the basis of full cost of adaptation reasoning?

Response: Cleared

Secretariat: Unsure.

Part II I (pp 34 – 38) provides the justification for the requested funding. The section describes the baseline scenario without the AF resources as well as the additionality brought by the project funding and concludes that the lack of investment will leave Montenegro ill-prepared to cope with the increasing impacts of climate change, potentially jeopardizing both educational continuity and long-term community resilience.

The proposal demonstrates that the project activities are relevant in addressing its adaptation objectives and that without additional funding from other donors, will help to achieve its objectives. However, it is not clear whether the project has co-financing or that the AF project would be able to deliver its outcomes and outputs regardless of the success of the other project(s).

CAR19:

1. As it relates to the project taking advantage of other climate adaptation work and addressing seismic retrofitting on page 17 please clarify how the other aspects are being financed.
2. Is the AF project being co-financed?
3. 3. Is there a parallel project that the AF grant and its funded activities will support? Please indicate in a sentence to two in this section of the proposal that the AF project will be able to deliver effectively on its outcomes irrespective of any co-financing.

(12 June 2026)

Response: Cleared

Secretariat: CAR19: Cleared. See Part II"1", pp. 63-64. Sufficient for CN stage. More details would be needed at full proposal stage.

Is the project / program aligned with AF's results framework?

Response: Not Cleared

Secretariat: Yes, however, some adjustments are required

The table in Part III A (pp42 – 44) demonstrates how the project aligns with the AF Results Framework. However, the table needs to be adjusted using the guidelines set out in Results Framework Alignment Table (Amended in November 2025).

CAR 20: Please address the following and ensure consistency between the AF Outcomes and Outputs according to the AF Results Framework (updated 2025)

1. The Project Outcomes and Components in the Alignment Table are not consistent with those in the Project Components and Financing Table (pp 11 - 13), specifically Outcome 2.
2. The upper part of the table should comprise the Overall Project Objective or if stated the Sub Objectives of the Project
3. Outcome 2 in the upper part of the table does not coincide with Outcome 2 in the guidelines
4. Outcome 3 which is associated with Output 3.2 in the lower part of the table is not reflected in the upper part of the table.
5. Please utilize the template at the following link: Results Framework Alignment Table (Amended in December 2025) (77 kB, DOC).
(12 June 2026)

Response: Not Cleared

Secretariat: CAR20: Not fully cleared. In the upper part of the table (AF outcome level), add a row to indicate "Total outcome level grant amount". Also, at the lower part of the table (AF output level) add a row to indicate "Total output level grant amount". The total in each row should be equal to the components total cost (i.e., USD 12,511,521).

Has the sustainability of the project/programme outcomes been taken into account when designing the project?

Response: Not Cleared

Secretariat: Yes, however additional information is required.

Part II J (pp 38 – 39) describes how sustainability was taken into account in designing the proposal. Sustainability was promoted through five key features of the project: i) environmentally conscious development of climate-resilient infrastructure, ii) enhancement of students' climate-related skills, iii) strengthening of adaptation capacities of educators and school leaders, iv) institutional capacity building, and v) alignment with national policy priorities. In the case of the alignment with national policy priorities, it is expected that the project will benefit from long-term government commitment, ensuring institutional and financial sustainability.

While these measures address some key dimensions of sustainability ((environmental, institutional, educational/technical, and policy alignment), there are other aspects which have not been addressed. These include:

1. Financial sustainability: there are no details on recurrent costs, budgets, or mechanisms to finance operation, maintenance, teacher training refreshers, or scaling after the project closes.
2. Operation and maintenance of infrastructure or installations after the life of the project
3. Social sustainability: there is little discussion of gender, disability, socio-economic equity, or how vulnerable or marginalized students/communities will be reached and benefit equitably.
4. Behavioural and community sustainability: there is limited mention of community / parent engagement, local ownership, or incentives to sustain new practices in schools and households.
5. Market and supply-chain sustainability: no mention of local sourcing, market readiness for sustainable materials/technologies, or building contractor capacity

There is also a risk of institutional turnover in the event of a change of government. As a result, capacity gains may be eroded. There is therefore, need for mitigation measures such as succession plans, institutionalized training modules and embedding roles to safeguard against the erosion of such gains.

CAR 21: Please include in the section on sustainability, the measures which will be taken to address the issues raised above.

(12 June 2026)

Response: Not Cleared

Secretariat: CAR21: Not cleared.

Revise Part III to reflect the different aspects of sustainability (institutional, economic, financial, social environmental, etc.) under dedicated headings along with related arrangements to ensure sustainability, taking into account the sustainability of the operation and maintenance of the infrastructures/ installations to be developed. Also, highlight the potential replication/ scaling up of the project outcomes with other funds after its end.

Does the project / programme provide an overview of environmental and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?

Response: Cleared

Secretariat: Yes, however additional information is required.

Part II K (pp 39 – 41) provides an overview o the environmental and social impacts and risks identified as being relevant to the project. The information is summarized in a Table with a checklist of 15 AF environmental and social principles. For each principle, the table indicates whether any further assessment is required, the potential impacts and risks, and the procedure required for compliance. The proposal does not state the category (A, B or C) in which the screening process has classified the project.

The environmental and social risks of the project are rated as Moderate, but for each AF Principle in the Checklist table, the potential risk is not identified, neither have any of the potential direct, indirect, transboundary, and cumulative impacts that could affect the project have not been identified. Moreover, the

measures required for compliance are not stated, Instead, there is a referral to the ESMP.

CAR 22: Please address the following:

1. Please number and label the table2. Please state the Category in which the screening process has classified the project

CAR 23: Please make the following adjustments to the table:

1. For each AF checklist principle, please state whether the level of risk is low, medium or high
2. Please state for each principle, the potential environmental impacts (direct, indirect, transboundary and cumulative) and risk
3. Please substantiate the conclusions presented in the risk table
4. Please state the measures which need to be taken for compliance

The Project Background presents the findings of an initial gender assessment (pp 2 – 3). The reference for the assessment is provided (CPF 2025 – 2029). However it is not clear what CPF stands for.

See CAR 1(1): Please provide a list of abbreviations and where abbreviations are presented in the proposal, please indicate what they stand for the first time they are mentioned in the document.

(12 June 2026)

Response: Cleared

Secretariat: CAR22: Cleared. See Part IIK, p. 66.

CAR23: Cleared. See Part IIK, Table 9, pp. 67-68.

Resource Availability

Is the requested project / programme funding within the cap of the country?

Response: Cleared

Secretariat: Yes.

(12 June 2026)

Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?

Response: Cleared

Secretariat: Yes. The figures are rounded to a whole number and they add up and match across the tables. The management fee is 8.5% of the total budget before fee

The PFG of US\$ 150,000 is appropriate for the project size of US\$ 15,000,000

CR 4: It is noted that the PFG does not include a Gender Assessment nor the preparation of the Gender Action Plan or the ESMP. Please clarify whether these will be included in the PFG.

CAR24: Please ensure that in the re-submission section C of the PFG request form is completed.
(12 June 2026)

Response: Cleared

Secretariat: CR4: Cleared. Based on PFG pdf document. No TC version available/ provided.

CAR24: Cleared. Based on PFG pdf document. No TC version available/ provided.

Are the Project/Programme Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?

Response: Cleared

Secretariat: Yes. The figures are rounded to a whole number and they add up and match across the Components Table The Project Execution Cost is 9.5% of the total budget (including fee) However, refer to CAR3.
(12 June 2026)

Eligibility of IE

Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?

Response: Cleared

Secretariat: Yes. Accreditation Expiration Date: 05 June 2028
(12 June 2026)



CONCEPT NOTE PROPOSAL FOR SINGLE COUNTRY

PART I: PROJECT/PROGRAMME INFORMATION

Title of Project/Programme: Skills for climate-resilient futures

Country: Montenegro

Thematic Focal Area: Education

Type of Implementing Entity: Multilateral Implementing Entity

Implementing Entity: The World Bank

Executing Entities: The Ministry of Education, Science and Innovation

Amount of Financing Requested: 15,000,000 (in U.S Dollars Equivalent)

Project Formulation Grant Request (available to NIEs only): Yes ☒ No ☐

Amount of Requested financing for PFG: USD 150,000

Letter of Endorsement (LOE) signed: Yes ☒ No ☐

NOTE: LOEs should be signed by the Designated Authority (DA). The signatory DA must be on file with the Adaptation Fund. To find the DA currently on file check this page: <https://www.adaptation-fund.org/apply-funding/designated-authorities>

Stage of Submission:

- ☒ This concept has been submitted before
- ☐ This is the first submission ever of the concept proposal

In case of a resubmission, please indicate the last submission date: 5/21/2026

Please note that concept note documents should not exceed 50 pages, including annexes.

List of Acronyms

Acronym	Full Name	Acronym	Full Name
AF	Adaptation Fund	LLL	Lifelong Learning
BCR	Benefit-Cost Ratio	MEEP	Montenegro Energy Efficiency Project
CCAP	Climate Change Adaptation Plan	MEIS	Montenegrin Education Information System
CCDR	Country Climate and Development Report	MEP	Montenegro Education Programme
CEB	Council of Europe Development Bank	MESDP	Montenegro Energy Sector Decarbonization Project
CPD	Continuous Professional Development	MoESI	Ministry of Education, Science and Innovation
CPF	Country Partnership Framework	MQF	Montenegro Qualifications Framework
DA	Designated Authority	NAP	National Adaptation Plan
DAC	Development Assistance Committee (OECD)	NSSD	National Strategy for Sustainable Development
DRR	Disaster Risk Reduction	OECD	Organisation for Economic Co-operation and Development
EBRD	European Bank for Reconstruction and Development	PFG	Project Formulation Grant
ECE	Early Childhood Education	PISA	Programme for International Student Assessment
EE	Energy Efficiency	PMU	Project Management Unit
EEPPB	Energy Efficiency Programme in Public Buildings	RCP	Representative Concentration Pathway
EHS	Environmental Health and Safety	REEP	Regional Energy Efficiency Programme
EIB	European Investment Bank	SDG	Sustainable Development Goal
ERP	Economic Reform Programme	SEP	Stakeholder Engagement Plan
ESCS	Index of Economic, Social and Cultural Status	SIPP	Service for Investments and Public Procurement
ESF	Environmental and Social Framework	TIMSS	Trends in International Mathematics and Science Study
ESMP	Environmental and Social Management Plan	TTO	Technology Transfer Office
ESP	Environmental and Social Policy	UCG	University of Montenegro
EU	European Union	UN	United Nations
GCF	Green Climate Fund	UNDP	United Nations Development Programme
GDP	Gross Domestic Product	UNESCO	United Nations Educational, Scientific and Cultural Organization
GP	Gender Policy	UNICEF	United Nations Children's Fund
GPE	Global Partnership for Education	UNOPS	United Nations Office for Project Services
HE	Higher Education	USD	United States Dollar
HERIC	Higher Education Research for Innovation and Competitiveness Project	USP	Unidentified Sub-project
IBRD	International Bank for Reconstruction and Development	VET	Vocational Education and Training
ICT	Information and Communication Technology	WASH	Water, Sanitation and Hygiene
LOE	Letter of Endorsement	WBIF	Western Balkans Investment Framework

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Project/Programme Background and Context

Economic, social and development context

The Government of Montenegro is committed to achieving sustainable and inclusive economic growth on its path towards EU accession but remains vulnerable to external shocks. A small, coastal Western Balkan country with a population of c.620 000, Montenegro has made important progress towards its goal of EU accession by 2028 by focusing on fiscal consolidation, enhancing competitiveness, and improving the business environment (ERP, 2024), while balancing economic growth with environmental protection and social inclusion (NSSD, 2016). However, Montenegro's small, open economy, with a narrow base focused on tourism, energy, and services, makes it highly susceptible to external shocks and climate change. While classified as an upper-middle-income country, with per-capita GDP of US\$10,093 in 2022, Montenegro continues to qualify for preferential IBRD lending terms due to structural economic challenges, including its fiscal position, susceptibility to shocks, and classification as a "small state" (Country Partnership Framework (CPF), 2025-2029). To achieve sustainable growth and align its income levels with those of EU countries, Montenegro needs to diversify its economy and boost productivity, with an emphasis on green initiatives.

Montenegro has made considerable strides in enhancing its living standards in recent years, but the risk of poverty and inequality continues to be high. The robust post-pandemic economic rebound was accompanied by significant gains in the labor market and high employment growth rates. Poverty rate in Montenegro declined significantly over the past decade, reaching a regional low of 15.2% in 2019. However, one in five people remain at risk of poverty, with the country's Northern region facing a significantly higher risk than the national average. Persistent gaps in access to education, health, and jobs are also evident among the Roma community. Although income inequality dropped by 5 percentage points between 2017 and 2022, Montenegro still exhibits the most unequal income distribution in the Western Balkans (, 2025-2029).

Environmental context

Montenegro is highly susceptible to climate shocks, which cause significant human and economic damage. Many regions within the country are highly susceptible to floods, earthquakes, landslides and droughts. (Country Climate and Development Report (CCDR), 2024).

Annually, flooding impacts approximately 10,000 people and causes an average of US\$90 million in damage. In 2010, Montenegro experienced its worst ever floods – impacting 30,000 hectares of agricultural land and causing economic losses equivalent to 1.4% of GDP (NAP, n.d.). Driven by increased asset exposure, Montenegro's flood risk—measured as average annual loss (AAL)—is expected to increase in all the three possible future scenarios (Representative Concentration Pathways, [RCP] 2.6, 4.5 and 8.5). In addition, 51% of the country's total area is at a high or very high risk of landslides (CCDR, 2024).

Worryingly, climate change is exacerbating heat stressors, with droughts, wildfires,

and heatwaves becoming increasingly disruptive. Montenegro is highly vulnerable to drought due to reduced summer rainfall and an increasing number of days with high daytime temperatures. The 2011 drought caused a severe hydrological deficit in the country's two largest agricultural regions—Zeta and Bjelopavlići—while the 2012 heatwave directly affected approximately 4,500 people. In 2017 and 2018, drought conditions ranged from moderate to extreme, significantly lowering water levels in the Morača and Zeta rivers as well as Lake Skadar. These reductions had cascading impacts on key sectors such as agriculture, fisheries, and electricity generation. Moreover, the extremely dry conditions intensified the risk and occurrence of forest fires, compounding the environmental and economic consequences. At present, 36.3% of Montenegro's forests, which cover 54% of the country, are classified as being at very high risk of wildfires. Between 2005 and 2015, more than 18,000 hectares of forest were damaged or destroyed by wildfires (CCDR, 2024). In 2019, weather-related impacts accounted for 82% of total expenditures in the transport and road infrastructure sector, while in 2022, drought conditions resulted in €100 million in losses in hydroelectric power generation.

Earthquakes affect around 9,000 people each year and result in an average of US\$70 million in damage. While earthquakes are primarily geophysical in nature, their impacts are often compounded by climate-related hazards such as floods and landslides, which are increasing in frequency and severity. 60% of Montenegro's population lives in areas with a high likelihood of experiencing earthquakes of magnitude 8 or greater on the Richter scale (i.e. "great" earthquakes capable of causing widespread devastation including the collapse of buildings and infrastructure). Urban areas, particularly along the coast, face growing risks from sea-level rise, storm surges, and extreme heat.

Exposure to natural hazards in Montenegro is closely linked to, and often exacerbated by, existing socioeconomic vulnerabilities. The country's 25 municipalities (opštine) experience varying degrees of socioeconomic stress, which interact with and are compounded by climate-related shocks. One of the most pressing challenges is demographic decline. According to World Development Indicators (WDI), Montenegro has entered a negative population growth trend over the past seven years, with the national population now nearing 2007 levels. Disaggregated data reveal that approximately 60% of municipalities have experienced population decline over the past two decades, with growth largely concentrated in Podgorica and its surrounding areas (Tuzi, Zeta) before plateauing and beginning to reverse. Municipalities facing demographic decline are often among the most geographically isolated, with market access estimated to be roughly half that of municipalities with stable or growing populations. These declining areas also tend to have higher exposure to natural hazards—on average, 10% greater exposure to both wildfires and landslides compared to growing municipalities. While floods are generally less widespread, Zeta municipality stands out with relatively high average flood exposure. Nevertheless, localized flood risks exist in nearly every municipality, underscoring the need for targeted, place-based resilience strategies (CCDR, 2024).

The impacts of climate hazards are often localized and shaped by factors such as urbanization, settlement patterns, and population growth. Unplanned urban development and land use have significantly increased the number of people and assets

at risk from natural disasters. High-risk areas include the Skadar Lake region, the Bojana River basin, and the capital city, Podgorica—particularly due to its dense population. Although river valleys occupy relatively small geographic areas, they host some of the country's largest settlements, amplifying their vulnerability. The coastal region faces distinct challenges, including land loss, declining biodiversity, and beach erosion, all of which are linked to rising sea levels and increasing sea surface temperatures. Mean annual air temperatures in Montenegro range from 4.6°C in the mountainous Žabljak area to 15.8°C along the coast. In pursuit of economic development, widespread unregulated construction—especially in coastal zones—has further heightened exposure to both seismic activity and flood risks (CCDR, 2024).

Without investments in climate adaptation, natural hazards could reduce Montenegro's GDP by up to 7.9%, depending on the climate change scenario. Conversely, investing in adaptation measures would yield a "Triple Dividend of Resilience", encompassing three main benefits: (i) preventing losses, (ii) boosting economic potential, and (iii) enhancing social and environmental co-benefits. By implementing climate adaptation actions at the national level, it is possible to significantly reduce human and economic losses from climate disasters while promoting human capital development (CCDR, 2024), in line with Montenegro's commitments under the National Strategy for Sustainable Development of Montenegro by 2030, the Economic Reform Program 2024–2026 and the EU Green Agenda for Western Balkans.

Education context

Montenegro's education system reflects a lifelong approach, with opportunities for improvement across education levels. Montenegro's education system includes preschool education, primary (lasting 9 years), secondary and higher education, as well as adult education programs. As recently confirmed by the Education Sector Analysis, undertaken by UNICEF, the Ministry of Education, Science and Innovation (MoESI), and validated through stakeholder consultations, there are opportunities for improvement in the education system related to quality, access, equity and governance. The comprehensive Education Reform Strategy (2025-2035) defines clear objectives and activities for their implementation in all of the above mentioned areas.

Unequal access to education persists. While 96% of children in Montenegro are enrolled in primary education, significant disparities persist among marginalized groups, especially Roma children, who exhibit lower attendance in both primary and secondary schooling. In the school year 2022/2023, 88.5% of Roma students successfully completed the final year of primary school, and 58% of those progressed from primary to secondary school in the following year. In 2023/2024, 86.5% of Roma students finished primary school successfully, with 51% continuing on to secondary education the subsequent year.

There is ample space for improving foundational skills of students. The 2022 results of the OECD's Programme for International Student Assessment (PISA) indicate substantial issues with student performance; average scores in mathematics, reading, and science are considerably below OECD averages. Only 40% of students achieved at least Level 2 proficiency in mathematics, significantly lower than the OECD average of 69%. This marks a decline in performance since the 2018 PISA assessment, underscoring

the critical need for targeted reforms and increased educational investment to enhance learning outcomes and ensure equitable access to quality education for all. Furthermore, students from socio-economically disadvantaged backgrounds fall behind compared to their peers, pointing to pressing equity concerns that demand efficient and specific interventions (Education Reform Strategy 2025-2035).

Despite considerable progress in integrating children with disabilities into mainstream education, challenges remain. While there has been a consistent increase in their enrollment in regular primary schools since 2009, substantial challenges persist regarding both physical access to schools and the quality of educational services offered to these children. Additionally, the enrollment of children with disabilities in preschools and those progressing into secondary education remain very low (Education Reform Strategy 2025-2035).

The Montenegrin education system has recently faced pressure due to a sudden influx of refugees, including those fleeing conflicts like the war in Ukraine. This surge in student numbers strains resources, infrastructure, and teaching staff, resulting in overcrowded classrooms and restricted learning opportunities. The impact varies across regions, with some areas and classrooms experiencing particular difficulties. New barriers, such as cultural differences, also impede effective communication and integration for both students and educators. Furthermore, providing adequate support for the trauma and mental health needs of refugee children is challenging due to a lack of specialized services. Consequently, the Montenegrin education system is compelled to rapidly adjust to offer inclusive and high-quality education to all students, including migrants, refugees, stateless children, and those at risk of statelessness, to facilitate their successful integration and academic progress (Education Reform Strategy 2025-2035).

Teachers are pivotal for the education system's future growth, yet both their initial training and ongoing professional development require strengthening. This involves equipping educators with the expertise to integrate technology into classrooms, cultivate critical thinking, and implement inclusive practices for diverse learning requirements (Education Reform Strategy 2025-2035). The Education Sector Analysis by UNICEF (2022) shows that Montenegro has established the formal foundations of teacher policy and professional development, but both initial teacher education and in-service professional development require further strengthening, particularly in relation to practical teaching skills, pedagogical preparation, school-based learning, monitoring of training effectiveness and follow-up support.

Although education funding has steadily risen in recent years, the majority of resources are still allocated to recurrent expenditures, particularly salaries. This budgetary allocation limits the capacity for reforms requiring additional investment, and reliance on donor funding compromises the long-term sustainability of changes. Furthermore, insufficient coordination among different sectors and institutions has been identified as a challenge, hindering program implementation and reducing reform effectiveness. Despite these issues, initiatives are in progress to secure further funding via international mechanisms designed to foster sustainable and transformative improvements (Education Reform Strategy 2025-2035).

In June 2025, MoESI launched the new Education Reform Strategy 2025-2035, designed to tackle these challenges through a comprehensive approach. The strategy, developed with support from UNICEF and the EU, focuses on enhancing the quality and accessibility of education for all, ensuring that children and youth gain lifelong, practical knowledge and skills. It also emphasizes supporting their overall wellbeing to help them continue their education and engage meaningfully in the workforce and society. As part of Goal 1 — "The education system provides quality, accessible, and equitable education that fosters the holistic development of all children and youth and is resilient to challenges and risks" — Measure 1.3.1. has been defined to support this goal. This measure foresees the development of a national curriculum framework aligned with EU policies and standards, currently being developed with support from UNICEF and EU, with expected adoption by June 2026. The framework will set out key competencies for lifelong learning, global citizenship, life and socio-emotional skills, green skills, climate change, and other essential issues relevant for the development of subject curricula, including elective courses and cross-curricular topics.

Climate education context

Schools in Montenegro are not sufficiently equipped to respond to climate shocks.

In total, there are 161 public primary schools and 58 public and public-private secondary schools. Of the 161 primary schools, 73 are located in the Northern region, 60 in the Central (including the capital, Podgorica), and 28 in the Southern (Coastal) region (skolskastatistika.edu.me, 2025/26). Of the 58 secondary schools, 19 are located in the Northern region, 26 in the Central region, and 13 in the South (skolskastatistika.edu.me, 2025). One of the early findings of a pilot phase of the School Infrastructure Assessment, conducted by the Ministry of Education, Science and Innovation (MoESI), United Nations Office for Project Services (UNOPS), and UNICEF, is that schools in Montenegro are not sufficiently resilient to the impacts of climate change (Education Reform Strategy 2025-2035). Insufficient climate resilience of schools poses significant risks to the safety and well-being of students and staff, as well as the continuity of education during extreme weather events.

Given the existing constraints within the education system, Montenegro cannot afford losing more school days because of climate change. While the specific impacts of climate change on education continuity in Montenegro have not yet been estimated, global evidence offers useful insights. Globally, climate-related school closures result in the loss of approximately 11 instructional days per year on average—equivalent to about 6% of the academic calendar (World Bank, 2024). Unless made up, such schooling losses are bound to translate into substantial learning deficits, often disproportionately affecting disadvantaged students. On average, the extent of schooling lost due to climate-related disruptions is higher in low-income countries and lower in high-income contexts. However, even the latter still lose around 2.4 days annually (World Bank, 2024). As an upper-middle-income country, Montenegro can reasonably expect to face learning losses of at least this magnitude—placing additional strain on an already limited instructional calendar. The country already has a comparatively low number of school days, which restricts students' exposure to learning and may contribute to weaker educational outcomes ([UNICEF, 2022](#)). Further compounding this issue are imbalances in the school network, whereby

some schools in Montenegro experience severe overcrowding and operate in two, and occasionally even three, shifts. Notably, 13% of schools—serving 72% of all primary students—exceed the standard classroom size of 28 pupils. Such overcrowding thus already limits effective, student-centered instruction and reduces opportunities for individualized support, extracurricular activities, and remedial programs, even before accounting for potential additional disruptions caused by climate change. While overcrowding affects schools across Montenegro's three regions – Central, Southern and Northern, it is the most pronounced in the Central region and the least in the North ([UNICEF, 2022](#)).

Beyond school closures, climate change also affects the quality of learning when schools remain open. Rising temperatures have been shown to impair students' cognitive performance and concentration ([World Bank, 2024](#)). Climate-related events such as wildfires can also negatively impact students' mental health, with climate anxiety emerging as a growing stressor among youth and further undermining learning outcomes and student retention ([World Bank, 2024](#)). Given that, as shown above, climate impacts in Montenegro are projected to further intensify in the future, negative impacts on student well-being, academic performance and education delivery are expected to only increase over time, especially in the absence of adequate climate adaptation measures.

There is space to improve environmental awareness of Montenegrin students, and green skills of educators. Evidence from the OECD Programme for International Student Assessment (PISA) survey shows that 70% of students in Montenegro report being familiar with climate change and global warming, which is behind the OECD average of 79%. The self-efficacy in environmental understanding among Montenegrin students could also be improved: only 54% feel confident explaining how carbon-dioxide emissions affect global climate change, compared to 63% in the OECD on average. Without a solid understanding of the causes and risks of changing environmental conditions, students' ability to make informed decisions and contribute towards meaningful adaptation solutions diminishes. The results of the Trends in International Mathematics and Science Study (TIMSS) survey further highlight this issue. Montenegrin fourth graders score an average of 466 in environmental knowledge, which is significantly behind EU frontrunners such as Sweden (526), Finland (542), and Poland (557) (TIMSS, 2023). Such disparity underscores the need for enhanced educational efforts to equip Montenegrin students with adequate knowledge and skills on climate-related subjects, including adaptation. In addition, although 79% of school principals in Montenegro report that global warming and climate change are covered in the curriculum, this is still below the OECD average of 88% (PISA, 2018). Equally, the Education Reform Strategy 2025-2035 of Montenegro developed by MoESI underscores that there is space for strengthening the green skills of teachers in Montenegro.

Project/Programme Objectives

The main objective of the project is to strengthen Montenegro's adaptive capacity to climate hazards through enhanced human capital. This is well-aligned with the Adaptation Fund's objective, to "reduce vulnerability and increase adaptive capacity to respond to the impacts of climate change, including variability at local and national levels", as stated in

the AF results framework.

Project/Programme Components and Financing

The table below describes the tentative project components, activities, and expected concrete outputs, providing the foundation for the development of the full project proposal. For each project component, it also presents the corresponding indicative budgets, which may be adjusted and confirmed during the development of the full project proposal, based on a detailed costing exercise.

Project/Programme Components	Expected Concrete Outputs	Expected Outcomes	Amount (US\$)
1. Skills for greater climate resilience in priority adaptation sectors	Output 1.1. Skills needed for climate resilience in priority adaptation sectors identified and translated into refreshed learning programs with work-based learning opportunities and certification pathways	Outcome 1.1. Strengthened workforce skills and adaptive capacity in the priority sectors	60,000
	Output 1.2. VET workshops and HE laboratories modernized to support hands-on climate learning and research	Outcome 1.2. Improved learning spaces for applied development of climate skills and innovations	500,000
	Output 1.3. Climate resilient innovations supported through research grants and enhanced commercialization	Outcome 1.3. Increased capacity of the education system for climate innovation and knowledge generation	240,000
	Output 1.4. Feasibility of a new, sectoral, climate-smart Center of Excellence assessed		50,000
2. Foundations for climate-resilient attitudes and behaviors	Output 2.1. Climate resilient retrofitting, repurposing, and nature-based infrastructure solutions implemented at school and pre-school level	Outcome 2.1. Bolstered capacity of education systems to withstand and adapt to climate impacts	10,800,000

	Output 2.2. Learning materials, student-led adaptation projects and showcases implemented	Outcome 2.2. Strengthened climate awareness, agency, and adaptive behaviors among youth	250,000
	Output 2.3. Teachers' and school principals' skills to promote climate resilience among youth strengthened		460,000

3. Learning and Knowledge Management	Output 3.1. Capacity of the Executing Entity strengthened	Outcome 3.1. Enhanced institutional capacity for effective implementation and replication of climate resilience interventions in the education and skills sector	40,000
	Output 3.2. Periodic knowledge-sharing, international and national peer-learning and a concluding conference delivered	Outcome 3.2. Enhanced opportunities for national and international knowledge dissemination and exchange on building climate resilience through education and skills	111,521
4. Project/Programme Execution cost			1,313,364
5. Total Project/Programme Cost			13,824,885
6. Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)			1,175,115
Amount of Financing Requested			15,000,000

Projected Calendar

Indicate the dates of the following milestones for the proposed project/programme

The below table shows the indicative project calendar.

Milestones	Expected Dates
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Start of Project/Programme Implementation	April 2027
Mid-term Review (if planned)	October 2029
Project/Programme Closing	April 2032
Terminal Evaluation	Within 6 months after project closing

PART II: PROJECT / PROGRAMME JUSTIFICATION

A. Describe the project/programme components, particularly focusing on the concrete adaptation activities of the project, and how these activities contribute to climate resilience. For the case of a programme, show how the combination of individual projects will contribute to the overall increase in resilience.

The project is structured around three main components:

Component 1: Skills for greater climate resilience in priority adaptation sectors

This Component aims to strengthen the skills of the current and future labor force and research quality in the priority adaptation sectors - agriculture, water, health and tourism - as defined by the Ministry of Ecology in Montenegro's Climate Change Adaptation Plan (2025). It actively contributes to climate resilience by developing skills in the priority adaptation sectors to better anticipate and manage climate risks and mainstream sector-specific adaptation measures, while building research capacity to generate cutting-edge climate resilience solutions.

The following indicative outputs and activities are foreseen under Component 1:

Output 1.1. Skills needed for climate resilience in priority adaptation sectors identified and translated into refreshed learning programs with work-based learning opportunities and certification pathways

Activity 1.1.1 Identify skills needed for climate resilience in the priority adaptation sectors and corresponding gaps in the education and training offer (VET/HE/LLL).

The objective of the analysis under Activity 1.1.1. will be to produce rigorous, in-depth evidence on evolving skills needs in the priority adaptation sectors and identify gaps in the skilling (VET/HE/LLL) offer, as relevant. Among others, the review of the existing training offer will consider any sector-specific training foreseen or under implementation under the CCAP. Focusing specifically on the priority adaptation sectors (agriculture, water, health and tourism), it will complement the broader, strategic-level analysis foreseen to be delivered under the CCAP by Q4 2026, which aims to "recognize the key shortcomings in the existing education system and relevant institutions with regard to climate change, in particular adaptation".

Activity 1.1.2 Develop new programs/tracks/modules (VET/HE/LLL) on climate-smart practices in priority adaptation sectors, based on identified skills needs and gaps, in collaboration with industry.

By proposing interventions targeted at the priority adaptation sectors, the activity will complement the broader, strategic-level plan “for the future educational program and capacity building”, foreseen to be delivered under the CCAP by Q4 2026. Where gaps are identified, it will support the update of formal programs and qualifications (VET/HE) through refreshed units, tracks, or modules — and, where appropriate, the design of entirely new qualifications — as well as the development of shorter, non-formal offerings such as micro-qualifications. The design process for all new offerings will be based on the in-depth analysis (Activity 1.1.1.) and undertaken in partnership with employers to ensure close alignment with labor market needs.

The development and/or update of full qualifications will allow for integrating climate resilience considerations into formal education, including the dual VET system and apprenticeships, bridging knowledge and practical application while enabling the practical acquisition of climate-resilient skills on the job. The development of shorter, non-formal learning offerings will support flexible, modular learning. To support learners’ certification pathways, the “stackability” of the short courses towards a full qualification will be ensured by submitting the developed short offerings to the Qualifications Councils for approval, classification according to the Montenegro’s Qualifications Framework (MQF) and inclusion in the National Qualifications Database. The Component will thus create a transparent, portable credentialing architecture that enables formal credit accumulation, and cross-border recognition thanks to the established linkages between the MQF and the European Qualifications Framework. At the same time, it will create structured reference points against which learners with existing non-formal or informal competencies in climate-smart practices can have their learning formally recognized.

Once new or refreshed offerings are developed, targeted, gender-responsive awareness-raising will be used to promote them to support uptake.

Output 1.2. VET workshops and HE laboratories modernized to support hands-on climate learning and research

Activity 1.2.1 Modernize selected VET workshops/HE laboratories with the latest technology and equipment to enable practical learning on climate resilience and research in priority adaptation sectors

The activity would modernize a selected set of Vocational Education and Training (VET) workshops and higher education (HE) laboratories with up-to-date technology and equipment, including digital tools — such as climate and environmental sensors, water and soil testing kits, renewable energy demonstration units, precision agriculture tools, digital modeling and simulation software, and disaster-monitoring or early-warning equipment — so that students and researchers can move beyond theoretical instruction into hands-on, applied learning directly linked to climate resilience.

VET schools and HE institutions will be selected through a transparent two-stage process during the development of the full proposal. First, available data from the Montenegrin Education Information System (MEIS), as well as administrative, accreditation and institutional data will be used to shortlist institutions. Second, shortlisted institutions will undergo a focused needs and readiness assessment, supported where needed by site visits or technical verification. This process will assess the conditions and use of workshops/laboratories, equipment gaps, staff capacity, maintenance readiness, accessibility, links with employers or research partners, and readiness to integrate new technology into teaching, practical learning and applied research. Final selection will be based on a weighted scoring matrix and documented justification.

While the selection process described above will confirm the exact locations of the planned interventions, 3 municipalities across Montenegro's Northern, Coastal and Central regions have been pre-identified as the project's preliminary geographical focus. The pre-identification is based on an initial analysis (see details under Activity 2.1.1.) showing the municipalities' overlapping exposure to climate-related hazards, socio-economic vulnerabilities and high demand for education spaces. Therefore, the interventions planned under Activity 1.2.1. may be tentatively focused within these municipalities, including among them the Podgorica municipality, which hosts most of the faculties of Montenegro's only public and largest university (University of Montenegro, UCG).

The selection process foreseen at the full proposal stage described above will confirm or refine the pre-identified geographical focus of the interventions and the respective investment needs. Given that such approach will allow for adequate identification of E&S risks in line with the Adaptation Fund's ESP and GP, the use of "Unidentified Sub-projects" (USPs) is not foreseen at the full proposal stage.

Output 1.3. Climate resilient innovations supported through research grants and enhanced commercialization

Activity 1.3.1 Support competitive research grants to advance the knowledge frontier on climate-resilient practices in the priority adaptation sectors, and facilitate their practical uptake and commercialization.

This activity will support a competitive research grant program to generate new knowledge on climate-resilient practices across the four priority adaptation sectors to bolster the sectors' adaptive capacity to climate hazards. Grants will be awarded through a transparent, merit-based selection process – defined in further detail during the preparation of the full proposal – to eligible universities, higher education institutions, private sector entities, NGOs or government research institutions, to support innovative proof-of-concept and demonstration projects. A categorization system with clearly defined risk categories will be established and used for screening all applications before approval and disbursement of any grant. No activities carrying a high or substantial risk rating according to the World Bank Environmental and Social Framework will be supported. The selected projects will also be expected to show how they will deliver benefits to groups most vulnerable to the impacts of climate hazards (e.g. socio-economically disadvantaged

populations, women, etc.) in the four priority adaptation sectors.

The individual research projects will not be selected during project preparation but will be identified during project implementation through a transparent, competitive and merit-based selection process. This ensures that funding is awarded to the strongest proposals while allowing experts to identify the most pressing adaptation challenges for the local context and address these through targeted responses. In Adaptation Fund terminology, these research grants therefore qualify as Unidentified Sub-Projects (USPs). Consistent with the Adaptation Fund USP guidance, the project classifies these USPs as “fully unidentified, within a fixed framework” because the project design already defines the:

- i) Types of activities to be supported (proof-of-concepts, demonstration projects) and their sectors (agriculture, health, water, tourism), and
- ii) Safeguards-based screening logic to be applied before approval and disbursement of any grant, including with respect to the project’s potential location.

Such “fixed framework” approach enables sufficient flexibility for empowering local stakeholders to design context-relevant adaptation solutions while keeping activities sufficiently constrained to allow for adequate E&S risk management.

The research grants will follow a two-step screening process. First, a light-touch concept screening will pre-identify the most promising applicants. Second, the pre-selected applicants will receive structured technical assistance support (including proposal writing, budgeting, etc.) before submitting full proposals, ensuring that selection is based on research merit rather than administrative sophistication. This approach will help ensure that smaller or less-established institutions — including those in disadvantaged regions — can compete on equal terms.

In order to effectively protect the intellectual property of the developed climate resilience innovations and support the process of their commercialization, the Activity will also provide capacity-building (workshops, training, international peer-learning, etc.) to Montenegro’s new Technology Transfer Office (TTO). TTO, established in June 2025, will be able to jump-start its development processes by leveraging international best practices and lessons learned from more established technology transfer ecosystems, building core competencies in intellectual property management, technology licensing, and university-industry partnership brokering early on while avoiding common pitfalls faced by nascent TTOs. In turn, such an approach will deliver more effective support for the research projects financed under this Activity.

Output 1.4. Feasibility of a new, sectoral, climate-smart Center of Excellence assessed

Activity 1.4. Assess the feasibility of establishing a HE Centre of Excellence to support cutting-edge research on climate-smart practices in one of the priority adaptation sectors.

This activity will assess the feasibility of establishing a Higher Education Centre of Excellence dedicated to cutting-edge research on climate-smart practices in one of the

priority adaptation sectors, examining the institutional, financial, and governance dimensions, among others, required for its sustainable operation. The assessment will also evaluate the potential for regional collaboration and linkages, exploring opportunities for shared knowledge and joint research across the Western Balkans region. In practice, this Activity will be carried out via analyses, interviews and desk-based research, and result in a Feasibility study document.

Component 2: Foundations for climate-resilient attitudes and behaviors

In light of the increasing climate threats faced by Montenegro, this Component foresees strengthening climate resilience of selected schools and repurposing of selected school facilities into climate-resilient pre-school spaces, in order to enable students and children to learn uninterrupted or with minimized disruptions to learning. The Component also aims to lay the foundations for climate-resilient attitudes and behaviors, recognizing that lasting societal change begins with the youngest generation, through enhanced teaching and learning materials, targeted student-led activities and climate-focused teacher and school principal training. Together, the foreseen activities will enable schools to serve as climate-resilient hubs for developing the knowledge, attitudes, and behaviors essential for building adaptive capacity among Montenegro's youth in the long run, while and supporting the paradigm shift of integrating climate adaptation considerations into learning from early on.

The following indicative outputs and activities are foreseen under Component 2:

Output 2.1. Climate resilient retrofitting, repurposing, and nature-based infrastructure solutions implemented at school and pre-school level

Activity 2.1.1. Retrofit selected schools with climate-resilient infrastructure (e.g. improved cross-ventilation, thermal insulation, structural retrofitting, solar panels, waterproofing, rainwater harvesting systems, etc.) and nature-based infrastructure solutions (e.g. tree planting, etc.).

This activity addresses the systemic need of future-proofing Montenegro's educational infrastructure against the growing threats posed by climate change. As shown by Ambasz, Holla, and Sabarwal (2022) and World Bank (2025), of all education investments, physical learning environments have among the highest potential to help education systems mitigate and adapt to climate change. This activity thus takes a strategic, long-term approach to ensure that schools are not only structurally sound but can also function as hubs of resilience within their communities. By prioritizing climate resilience in education infrastructure development, this activity supports national education goals, and reduces vulnerability among children, students and educators. It also lays the foundation for cross-sector collaboration, linking education with urban planning, disaster risk reduction, and environmental sustainability. Ultimately, this activity will ensure that educational spaces are not only safe, resilient, and functional but also exemplars of climate-smart development.

Tangible, on-the-ground "grey infrastructure" improvements—such as flood-proofing buildings, enhancing insulation and ventilation to cope with heatwaves, among others—will be integrated into selected schools. Nature-based infrastructure solutions (e.g.

planting trees to reduce heat) will be used as relevant to further improve the vicinities of selected schools in order to better cope with climate effects. There is evidence showing that trees, for example, can be effective in reducing air temperature, glare, and UV radiation, while shading provided by mature trees could reduce surface temperatures by as much as 60 degrees F (World Bank, 2024). Through a combination of such strategies, the Activity will seek to maximize both levels of comfort and safety in a cost-effective way.

To ensure a sound return on investment and maximize the effectiveness of climate resilience interventions in schools at high risk of climate hazards, the climate resilience interventions will be undertaken in tandem with improvements to basic infrastructure (such as electricity, lightning, gender-sensitive toilet and sanitation facilities, etc.), school safety and disaster risk resilience (such as seismic retrofitting measures, given the elevated exposure to seismic risks in particular in the Coastal region in municipalities such as Bar or Ulcinj), and space utilization optimization (such as expansion of overcrowded schools in areas at-risk to climate impacts). This approach reflects a deliberate sequencing logic: climate resilience measures are most impactful and durable when implemented in schools that already meet basic functionality standards. Intervening on resilience alone in schools with unaddressed foundational deficiencies would risk creating the need for a second round of works — an inefficient and costly approach that fragments what should be a single, coherent investment. The Activity therefore adopts an integrated lens, ensuring that resilience-oriented works for schools vulnerable to natural hazards and climate change impacts are delivered together with foundational upgrades, maximizing the impact and sustainability of each intervention.

Based on a preliminary analysis of exposure to climate-related hazards, the demand for education places and socio-economic vulnerability, 3 municipalities across the Central, Southern and Northern regions were pre-identified as tentative, priority candidates for school infrastructure works under this Activity and Activity 2.1.2. These are: Podgorica (Central region), Herceg Novi (Southern region) and Petnjica (Northern region). All the pre-selected municipalities were identified to be at a medium/high level of exposure to at least two climate-related hazards (floods, wildfires or landslides), have among the highest demand for education access (some of the largest average class sizes, above the maximum allowed norm¹), and exhibit socio-economic vulnerabilities. With respect to the latter, Podgorica municipality is home to the largest Roma population in Montenegro, while Petnjica ranks among the municipalities with the lowest wages and market access (bottom quartile) in the country. Meanwhile, Herceg Novi is among the five municipalities with the highest Roma share while ranking in the bottom 50% in terms of wages and market access (CCDR, 2024; UNICEF & MoESI, 2022; Monstat, 2023).

Distinct climate-related hazards will necessitate tailored retrofit measures, with specific interventions to be matched to the unique risk profiles of individual schools. For schools in areas prone to flooding and landslides, structural adjustments may be particularly relevant. These could include improved gutters and drainage systems to guide water away from schools, or the construction of retaining walls, which can mitigate damage from flood-

¹ As overcrowding data by municipality was available at the pre-school level only, it has been used here as a proxy for overcrowding at other levels too.

and rainfall-related landslides and prevent water infiltration. In addition, permeable paving materials can be considered to enhance on-site water absorption, reducing stormwater runoff. Interventions should also ascertain that critical equipment, such as utilities and electrical services, are located above the projected flood level.

For schools in areas susceptible to extreme heat (leading to heatwaves, wildfires, etc.), measures to lower classroom temperatures will be particularly relevant. These include improved cross-ventilation and mechanical ventilation, as well as lower-cost solutions such as implementing “cool roofs”, which are designed to reflect more sunlight than conventional roofs, or planting trees in school vicinities. As noted above, a combination of high- and low-tech solutions, such as retrofitting combined with nature-based solutions including tree planting, can create an effective approach to temperature management. In addition, solar panels could be considered to help reduce grid strain, lower cooling costs, and provide backup power during heatwaves or fire-related outages.

The preliminary selection of schools and infrastructure intervention types will be further refined and detailed based on an in-depth, multi-dimensional hazard and infrastructure screening to be undertaken as part of the full proposal preparation. The hazard screening will identify target schools for infrastructure interventions and define priority interventions for each school. It will draw on a multidimensional assessment encompassing: the degree of climate vulnerability of school locations and the nature of climate hazards they face; socio-economic vulnerability of school locations, including whether schools serve elevated shares of Roma or students with disabilities; a comprehensive analysis of basic infrastructure needs; safety/disaster risk resilience; space adequacy; and careful cross-referencing against other ongoing infrastructure projects targeting schools (by obtaining the exact lists of facilities targeted under strategies and projects summarized in Tables 4-5), to avoid duplication and maximize complementarity.

The hazard screening will leverage available evidence, such as findings from the School Infrastructure Assessment (building on the pilot phase mentioned above), conducted by the EIB, MoESI and UNOPS, in cooperation with UNICEF Montenegro, under the Enhancing School Infrastructure in Montenegro / Better Schools for All Project (see Section D). Under the School Infrastructure Assessment, a functional analysis of school infrastructure across Montenegro is being developed, having already covered 40 schools as per the latest, and aiming to extend to all Montenegrin school facilities. The analysis includes an assessment of compliance with construction standards, disaster risk resilience (with a particular focus on resilience to seismic risks), as well as curriculum requirements, inclusivity measures and basic functional conditions such as occupancy, water supply, sanitation and hygiene, energy efficiency and accessibility for children with disabilities. Where relevant, this study will provide important baseline information that will help to establish investment requirements under Activity 2.1.1.- 2.1.2. Data from the Montenegrin Education Information System (MEIS), satellite data, site visits and open-source information will be further combined and utilized for the purposes of the hazard screening as needed.

Given that the hazard screening, to be financed from the Project Formulation Grant (PFG), will identify the exact school target sites and the interventions to be pursued, allowing for

adequate identification of E&S risks in line with the Adaptation Fund's ESP and GP, the use of "Unidentified Sub-projects" (USPs) is not foreseen at the full proposal stage.

Activity 2.1.2. Repurpose selected schools into climate-resilient pre-school spaces

This activity will seek to repurpose selected primary schools into climate-resilient pre-school spaces, increasing the number of children who can benefit from climate resilient infrastructure from an early age, and whose access to pre-school education is currently hindered. In Montenegro, while the current preschool education enrolment (coverage rate of 3–6-year-old children) is 7% higher than in 2021, it stands at 76% (75% for girls, 77% for boys) (Education Reform Strategy 2025-2035), behind the EU-27 average of 95% (Eurostat, 2023). Repurposing schools into climate-resilient pre-school spaces will be sought in areas with unmet demand for pre-school education, which simultaneously have schools with excess space at the primary level. Based on a preliminary analysis (see Activity 2.1.1), the interventions may be focused among the three municipalities pre-identified as tentative focus areas, all of which face challenges of overcrowded pre-schools. While overcrowded primary schools in these municipalities may simultaneously be a challenge, UNICEF & MoESI (2022) note that even in areas with the most severe overcrowding, there still are primary schools that remain underutilized in terms of their physical capacity.

Such considerations will be carefully accounted for by the hazard screening, described under Activity 2.1.1, which will be undertaken at full proposal preparation stage to help confirm or refine the geographic focus of the interventions and their types, allowing for adequate identification of E&S risks in line with the Adaptation Fund's ESP and GP. Therefore, the use of "Unidentified Sub-projects" (USPs) is not foreseen at the full proposal stage.

Output 2.2. Learning materials, student-led adaptation projects and showcases implemented

Activity 2.2.1. Support the operationalization of the new cross-curricular theme "Climate Change" by developing teacher and student guides, textbooks, and other types of support materials

This activity focuses on equipping students with the knowledge, skills, and values needed to thrive in a climate-impacted world, aiming to cultivate a generation of informed and proactive individuals who can contribute to climate resilience and adaptation efforts now and in the long-term.

Central to this initiative in Montenegro has been the development of a national cross-curricular theme titled "Climate Change", which is set to become an integral part of Montenegro's national curriculum framework by Q1 2027. Rather than limiting climate education – including adaptation – to specific subjects, the theme holistically integrates climate education across all educational levels and disciplines, ensuring an interdisciplinary learning experience where students examine climate change through scientific, economic, social, and cultural perspectives.

To support the operationalization of the new cross-curricular theme, this activity will support the development of gender-responsive guides, textbooks and other types of learning and support materials for teachers and students, as necessary. Such materials may include, for instance, ready-to-use lesson plans, challenge briefs, student worksheets and assessment examples to be used as needed in regular classes and/or extracurricular activities, and where relevant may provide guidance on operationalizing the cross-curricular theme through project-based learning. These resources will expose students to the multifaceted nature of climate challenges and emphasize the importance of inclusive, equity-based approaches to climate resilience, and will also be made accessible in digital format through the MoESI Digital School Platform. A particular focus will be placed on ensuring that all students—regardless of gender—see themselves as capable contributors to climate solutions. Through inclusive content and critical engagement with gender roles, these materials will help dismantle stereotypes and create a more equitable foundation for climate education.

Activity 2.2.2. Support student-led climate adaptation projects in selected schools, within formal and complementary extracurricular learning, in collaboration with local communities

Increased student involvement in practical, hands-on climate adaptation projects is essential for transforming education into meaningful action. These initiatives allow students to apply theoretical knowledge in real-world contexts, deepening their understanding of climate risks and adaptation strategies. Such experiential learning fosters a sense of ownership and responsibility, empowering students to become active contributors to climate resilience.

Moreover, when these projects are implemented in partnership with local communities, they strengthen intergenerational learning and build trust between schools and their surrounding environments. Community collaboration ensures that adaptation efforts are locally relevant and culturally grounded, while also reinforcing social cohesion. Therefore, such initiatives not only enhance student learning outcomes but also position schools as hubs of innovation and resilience, capable of driving broader community engagement and long-term climate action.

This activity will thus provide schools with grants to support the implementation of student-led climate adaptation projects within formal and complementary extracurricular learning, through which students could gain exposure to real-world climate impacts faced by local stakeholders and develop their thinking on potential adaptation strategies. In addition, this output will support Montenegro in addressing the challenge of a lack of engaging extracurricular activities in the education system, identified in the Education Reform Strategy 2025-2035. To mark progress, sustain momentum and promote learning and knowledge management, MoESI will organize three student innovation showcases over the course of project implementation — including at the final conference — where students present their project outcomes to peers, teachers, school leadership, parents, and the local community stakeholders, creating a structured opportunity for promoting learning on adaptation beyond the school walls. To foster parental engagement, the student

innovation showcases will be discussed and promoted via the existing school-level parent councils.

To foster agency among students and suitability to the local context, projects will not be fully defined before implementation starts. While schools will receive a thematic framework and examples of eligible adaptation areas, students will identify and co-design specific solutions with teachers, mentors, parents (via parental councils) and local stakeholders. This will allow projects to remain locally relevant while following a structured process of problem identification, idea development, implementation, mentoring and presentation of results. In addition, a categorization system with clearly defined risk categories will be established and used for screening all applications before approval and disbursement of any school grant. No activities carrying a high or substantial risk rating according to the World Bank Environmental and Social Framework will be supported. The design of the selected projects will also be expected to show accessibility to vulnerable students (e.g. students with special needs, etc.).

Selection of the schools will combine available MEIS/MoESI data with a school application process. Existing data will be used to determine school eligibility criteria, based on school type, size, climate-risk exposure, socio-economic vulnerability/inclusion considerations, etc. Through a national call, eligible schools will then be invited to submit grant applications for their student-led projects. All eligible schools will be entitled to receive technical assistance with the application preparation, including collaborative identification and design of student-led activities within a defined thematic framework. Successful schools will then be supported with grants to implement their proposed solutions. Based on a preliminary analysis of priority intervention locations (see under Activity 2.2.1.), schools in 3 pre-identified municipalities have been indicatively prioritized for eligibility, but exact eligibility criteria remain to be confirmed in the early stages of implementation based on a more detailed assessment drawing on MEIS/MoESI data.

In Adaptation Fund terminology, the student-led projects therefore qualify as Unidentified Sub-Projects (USPs). Consistent with the Adaptation Fund USP guidance, the project classifies these USPs as “fully unidentified, within a fixed framework” because the project design already defines the:

- i) Types of activities to be supported (small-scale student-led projects such as tree planting initiatives, local awareness-raising campaigns, etc.),
- ii) Preliminary locations where activities will take place (in school or school vicinities in 3 tentatively pre-selected municipalities), and
- iii) Safeguards-based screening logic to be applied before approval and disbursement of any grant.

Such “fixed framework” approach enables sufficient flexibility for empowering students to design context-relevant adaptation solutions while keeping activities sufficiently constrained to allow for adequate E&S risk management.

Output 2.3. Teachers' and school principals' skills to promote climate resilience among youth strengthened

Activity 2.3.1. Strengthen capacity of teachers and school principals to effectively support students on climate adaptation learning (via training, communities of practice, etc.)

While Activity 2.2.1 focuses on the development of resources, teaching aides and materials, this activity is centered around in-service teacher and principal training and capacity building for climate resilience. Building the capacity of teachers and school leaders is foundational to embedding climate resilience across Montenegro's education system, as teachers are not only knowledge transmitters but also role models and facilitators of critical thinking and problem-solving. In-service training enables educators to integrate climate themes across subjects and foster a culture of resilience within the classroom, while principals and school leaders play a strategic role in shaping school-wide responses to climate risks, managing climate-related disruptions, and leading whole-school adaptation initiatives. Ultimately, investing in teacher and principal training will ensure that climate education in Montenegro is a sustained, system-wide transformation that empowers both educators and learners to respond proactively to the climate crisis.

Montenegro has built substantial flexibility into its curriculum, whereby 15–20% remains open and primarily intended for teachers to integrate locally relevant content not included in the national curriculum. Together with the new Cross-curricular theme on climate education, this shows a solid institutional opportunity for integrating adaptation-related content into teaching across subjects. Crucial for capitalizing on this will be equipping teachers with adequate guidance and examples: of 310 certified in-service teacher trainings, only two focus explicitly on climate change, and neither supports integrating climate adaptation into the curriculum specifically. Given Montenegro's mandatory, well-established continuous professional development (CPD) system for teachers, managed by the Bureau for Education, there is strong potential for rapidly scaling up climate-focused CPD. This activity therefore focuses on developing and implementing teacher CPD programs on climate adaptation and its intersection with broader societal challenges such as the green transition, social justice, public health, and economics — building interdisciplinary understanding and pedagogical confidence, and leveraging the recently established EdTech laboratories for tech-enabled learning. Training for VET and HE teachers and professors, required to enable effective use of the upgraded VET workshops and HE laboratories (Activity 1.2.1), will also be supported.

The CPD programs will follow a blended, scalable model combining intensive face-to-face training for two nominated teachers per school with a teacher climate resilience peer learning network (Component 3) and a self-paced, certified course hosted on the national learning platform, ensuring all teachers can eventually access the content. Nominated teachers would serve as school-level climate education mentors, disseminating training and supporting colleagues through the peer-learning network. The same blended model will apply to training for VET and HE educators on the use of upgraded learning spaces.

The enhanced CPD offer will also support the expansion of literacy, numeracy, and digital skills training foreseen under the Education Reform Strategy 2025–2035, whose 2035 target (indicator 2.0.4) is for 70% of teachers to have completed such CPD; this project could help extend it to the remaining 30%. These foundational skills are needed for

students to develop the critical thinking required to understand complex climate content — an area of demonstrated need per PISA outcomes — and strengthening digital skills for teachers and students is also critical for continuing teaching and learning during school closures caused by climate shocks.

Strengthening principals' capacity to manage climate risks is equally essential for keeping schools safe, adaptive, and operational during disruptions. This activity will therefore equip all school principals in Montenegro with the knowledge, management, and leadership skills needed to assess risks, implement preparedness and response measures, maintain retrofitted infrastructure where applicable, and foster a culture of resilience within their institutions.

Component 3: Learning and Knowledge Management

Learning and Knowledge Management is a critical component for ensuring that the interventions foreseen under this project are not only effective in the short term but also sustainable and scalable over time. By systematically capturing and sharing lessons learned and strengthening institutional capacity of the Executing Entity, this component will enable knowledge-building and potential replicability of similar interventions in Montenegro in the future.

The following indicative outputs and activities are foreseen under Component 3:

Output 3.1. Capacity of the Executing Entity strengthened

Activity 3.1.1. Deliver capacity-building on climate adaptation and project management at MoESI/related agencies

This activity focuses on strengthening the institutional capacity of government institutions in Montenegro to effectively manage, monitor, and replicate education climate resilience projects. Such capacity building could have different forms. First, it would be particularly important to strengthen the capacities at MoESI, including (but not limited to) the Service for Investments and Public Procurement (SIPP) within MoESI. SIPP is responsible for planning and implementing investment activities related to the school infrastructure (incl. construction, reconstruction and adaptation). MoESI, and the SIPP in particular, would thus benefit from targeted technical assistance in project management (e.g. project coordination and oversight, technical specifications and cost efficiency, supervision and maintenance, financial management, environmental and social (E&S) safeguards, public procurement, etc.) and monitoring and evaluation (M&E), to enhance the ability to plan, implement, and track progress on climate retrofitting of the education infrastructure, with greater efficiency and accountability. Improved project management practices will also contribute to better coordination, resource allocation, E&S compliance, and stakeholder engagement, while strengthened M&E systems will enable data-driven decision-making, timely identification of challenges, and adaptive responses. Over time, these enhanced capacities will build institutional resilience and ensure that MoESI is well-positioned to scale up successful climate resilient infrastructure interventions and lead similar initiatives, a large number of which is already in the pipeline as shown in Section F, with high degree of effectiveness and efficiency. The technical assistance could be operationalized through

a series of capacity-building workshops.

Among others, targeted capacity-building could similarly be extended to the Bureau of Education, under MoESI's purview, and in particular its Teaching Department. Among others, the Teaching Department is in charge of quality assurance of teaching practices in Montenegro's schools and will therefore play a key role in ensuring that the cross-curricular "Climate Change" theme (see more under Component 2) is being implemented effectively by teachers.

Output 3.2. Periodic knowledge-sharing, international and national peer-learning and a concluding conference delivered

Activity 3.2.1. Facilitate periodic information dissemination and peer-learning

Activity 3.2.1 is designed to ensure that experiences gained from the project are tracked and analyzed periodically to enrich the global, national and local knowledge on climate change adaptation and accelerate understanding about what kinds of interventions work.

First, it foresees the establishment of "climate resilience network" among teachers in Montenegro. The objective is to provide further support to teachers (beyond capacity-building planned under Component 2), and create a collaborative opportunity for exchanging best practices, resources, and innovative methods for integrating climate and adaptation topics into teaching. Such network can also facilitate knowledge-sharing on latest teacher professional development opportunities related to climate education and create space for enhancing teachers' civic engagement on climate change. Through regular meetings, online forums, and collaborative projects, the network will ensure that lessons learned are continuously captured and disseminated, promoting a collective effort towards building climate resilience.

Second, throughout project implementation, the Project Management Unit (PMU) at MoESI will systematically capture the tacit knowledge and implementation experience generated across the project components — including how climate adaptation investments are being delivered, what implementation considerations are emerging, and, as interventions mature, what outcomes are being observed and what is driving them. The PMU will include individual Component coordinators, will serve as the primary collectors of this knowledge, channeling structured observations and reflections to the project's M&E coordinator on a regular basis. The M&E coordinator will analyze and synthesize these inputs into annual learning briefs — concise, accessible documents structured around what kinds of climate adaptation interventions are working, for whom, and under what conditions. The annual briefs will be fed back to the key beneficiaries and stakeholders involved in implementation under each Component (e.g. school principals under Component 2) by the Component coordinators, published on the project website and disseminated through the MoESI website and social media channels — ensuring that insights flow back to the practitioners generating them and reach the broader education community in Montenegro.

Third, to ensure that the project enriches the global knowledge on climate adaptation and

facilitates international peer-learning, it will convene two dedicated international peer-learning events during the implementation period, respectively dedicated to Components 1 (skills for climate resilience) and 2 (education for climate resilience). As relevant, the events will bring together relevant local stakeholders, representatives of Component beneficiaries and implementing partners, and MoESI officials, among others. International counterparts from relevant international climate networks and World Bank specialists will also be invited to amplify findings beyond the event itself, creating a multiplier effect for Montenegro's emerging lessons. Both events involve deliberative formats — combining presentation of the annual learning brief findings, facilitated breakout discussions on shared implementation challenges, and joint reflection on what the evidence suggests for improving ongoing project delivery.

Finally, at the project conclusion, a national concluding conference will be organized. This event will highlight major achievements, share practical lessons, and foster dialogue among educators, parents, policymakers, civil society and development partners. Featuring case studies, student-led showcases and stakeholder panels, the conference will help raise awareness, inspire action, and build momentum for advancing climate resilience through Montenegro's education and training system and society. To frame and inform the conference discussions, two deliverables will be prepared: i) practical with case studies on the key outcomes and lessons learned, building on and synthesizing findings from the annual learning briefs, and ii) scale-up roadmap, mapping the short-, medium-, and long-term steps, policy options, and roles and responsibilities required to transition the project interventions into sustained national practices.

Theory of Change

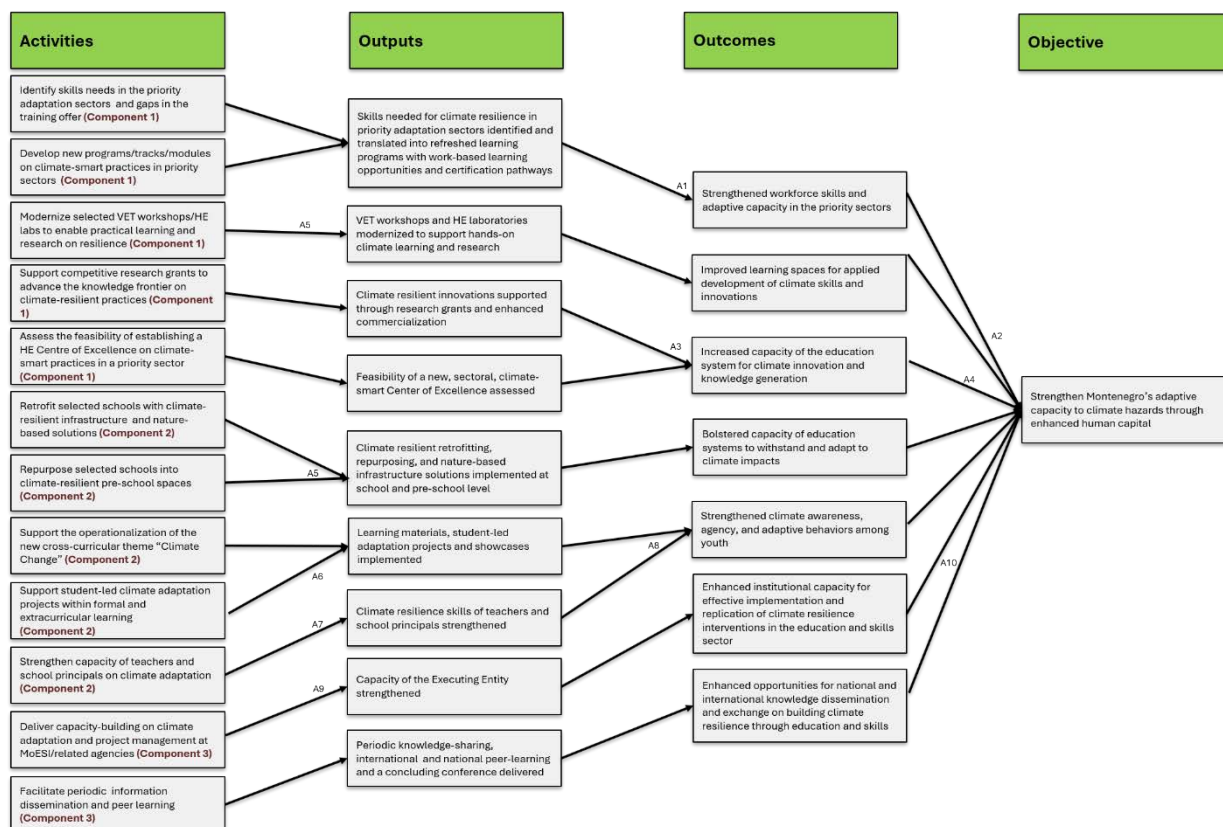
Figure 1 below presents the project's Theory of Change and the related Risks and Assumptions. Outcomes, outputs, and the project development objective are reproduced exactly as phrased elsewhere in this Concept Note; activities, however, have been summarized in places to fit within the graphic.

Through the coherent links between its activities, outputs, and outcomes, the project is well-positioned to deliver on its objective of strengthening Montenegro's adaptive capacity to climate hazards through enhanced human capital. This objective directly addresses the climate risks outlined above — floods, landslides, wildfires, and heatwaves — by building resilience both in the physical infrastructure of the education and training system and in the skills, knowledge, and institutional capacity needed to respond to these hazards over time.

The presented results chain, however, depends on a series of risks and assumptions at each stage, notably: Sufficient uptake of the refreshed education and training offer exists among target beneficiaries (A1); New skills acquired through training are effectively applied on the job within priority sectors (A2); Grant-supported research generates results that translate into applicable, scalable innovations (A3); Demand for project-generated innovations exists within the broader economy and society (A4); Qualified contractors capable of delivering climate-resilient retrofitting and upgrading are available in the local market (A5); Students actively participate in hands-on, project-based learning (A6);

Educators and school principals actively participate in capacity-building activities (A7); Increased engagement among students, teachers, and school principals translates into effective, sustained action (A8); MoESI staff actively participate in capacity-building activities (A9); Political will exists to prioritize climate adaptation within the education and skills sector (A10).

Figure 1: Theory of Change, Risk and Assumptions



B. Describe how the project/programme provides economic, social and environmental benefits, with particular reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations. Describe how the project/programme will avoid or mitigate negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

The project will provide a range of economic, social, environmental and gender benefits to the key stakeholders in Montenegro's education and skills system: the current and future labor force in the four priority adaptation sectors, students and pre-school aged children, teachers and school leaders, higher education and research institutions and communities, local stakeholders, and the public sector. The estimated number of direct and indirect beneficiaries is provided in Table 1. Lower-bound estimates are provided.

Table 1: Project beneficiaries, direct and indirect (estimated)

Component 1: Skills for greater climate resilience in priority adaptation sectors	Total
Direct	
Lifelong learning and adult learners benefiting from new/refreshed learning offerings in the priority adaptation sectors	400
VET and HE students benefiting from the modernized VET workshops and HE labs	800
VET teachers and HE professors benefiting from the modernized VET workshops and HE labs	35
Indirect	
Current and future workforce in priority adaptation sectors	5,000
Employers and industry actors in priority adaptation sectors	200
Component 2: Foundations for climate-resilient attitudes and behaviors	
Direct	
Students and children reached with climate-resilient infrastructure and student-led projects	9,272
Teachers, school principals and other staff benefitting from climate-resilient infrastructure interventions and capacity-building	1,303
Indirect	
Parents/caregivers benefiting from climate-resilient infrastructure interventions	8,000
Parents/caregivers of preschool children benefiting from the repurposed preschool spaces	600
Additional students benefiting from Component 2 through enhanced learning materials	87,428
Additional teachers benefiting from Component 2 through enhanced learning materials	7,928
Component 3: Learning and Knowledge Management	
Direct	
Executing Entity staff benefiting from capacity building and international peer-learning	60
Stakeholders (teachers, students, parents, NGOs, etc.) benefiting from national and international peer-learning	300
Indirect	
Additional education decision-makers and planners influenced by the project learnings	100
International stakeholders benefitting from the project learnings	100
Total	
Direct	12,170
(*World Bank Group Scorecard Indicator "Beneficiaries with enhanced resilience to climate risks")	
Indirect	109,356
Grand total (direct + indirect)	121,526

Economic benefits

Across the project's beneficiary groups, economic gains flow from avoided losses and strengthened productivity in the face of climate risk. The current and future labor force in agriculture, water, health, and tourism, as well as the society dependent on these sectors more broadly, benefits primarily from avoided sectoral output losses. Without updated skills and climate-smart practices, a climate shock hitting an unprepared sector translates directly into reduced sectoral output — crop losses in agriculture, service disruptions in health and tourism, or reduced efficiency in water management — whereas a workforce that knows how to build climate resilience into the sectoral operations helps sustain productivity and output even as hazards materialize, while shortening response and recovery time and minimizing working days lost at the same time. Higher education

institutions, researchers, and innovators develop climate-smart solutions that, once adopted, help reduce potential output losses and strengthen the adaptive capacity of the priority adaptation sectors. Public sector and school budgets benefit from reduced climate-induced damages to the education infrastructure. In the absence of concrete evidence on the scale of past climate-related damages to Montenegro's education infrastructure, it is estimated below that if only a small share (e.g. 5%) of the annual, only-flood-induced losses in Montenegro impact the education infrastructure, this would equate to around \$4.5 million in damages per year. The public sector and students also benefit from climate-resilient infrastructure retrofits and improved skills of school principals to manage climate-related disruptions to schooling through avoided costs of lost instructional time, as schools remain operational or re-open faster during floods, heatwaves, and other climate-related disruptions. While Montenegro-specific data are not available, global evidence from the COVID-19 pandemic on effects of school closures estimates that learning loss equivalent to one-third of a school year corresponds to around one tenth of a standard deviation of lost test results and is therefore projected to lead to an average 1.5% reduction in GDP over the remainder of the century. The present value of this loss is estimated to be equivalent to 69% of current GDP for a typical country. At the level of affected pupils, this translated into a loss of income of about 2.5-4% over their entire working lives (Hanushek and Woessmann, 2020).

Environmental benefits

The project has significant environmental benefits for the key beneficiaries. The current and future labor force in priority adaptation sectors gains key skills that support more sustainable resource use, such as water-efficient irrigation and climate-smart agricultural techniques. The enhanced environmental sustainability of key sectors benefits both the workers directly engaged in them, who depend on them for their livelihoods, as well as the society more broadly. Higher education institutions and researchers advance environmental knowledge that informs more effective, evidence-based adaptation solutions at the national level, strengthening the broader knowledge base for environmental decision-making. Through hands-on projects and enhanced learning materials, students and teachers are equipped to make more environmentally sound choices throughout their lives. In addition, local communities benefit from fostered stewardship of natural resources and green spaces, as student-led adaptation initiatives strengthen local environmental awareness and action.

Social benefits

The project is designed to deliver important social benefits to vulnerable groups among its key beneficiaries. Research grant applicants under Component 1 will need to demonstrate how their proposed innovations benefit populations most vulnerable to climate change, considering socio-economic status, gender, and other dimensions of vulnerability. Climate-smart infrastructure under Component 2 will target schools in climate-vulnerable municipalities with elevated socio-economic vulnerability, including higher shares of Roma students and students with disabilities. This will help disadvantaged students—who already show lower learning outcomes (see Context)—maintain or quickly regain access to education after climate hazards, preventing shocks

from compounding existing disadvantages; evidence from COVID-19 shows disadvantaged students suffered the largest learning setbacks from school closures (Hanushek and Woessmann, 2020). By incorporating adaptation themes into learning resources, the project will also raise students' climate awareness and understanding of adaptation strategies, benefiting disadvantaged students most, as their environmental awareness tends to be lower—77% of Montenegrin students in the top ESCS quarter report familiarity with climate change, versus 62% in the bottom quarter (PISA, 2018). Under Component 2, disability accessibility will be mandatory for all student-led adaptation projects seeking grant funding. Across Components 1 and 2, grant selection will follow a two-stage process, with technical assistance available to all institutions passing initial eligibility screening, ensuring a level playing field. Component 2 will also support student-led activities involving local stakeholders to promote collaboration and community engagement in climate solutions, strengthening social cohesion and ensuring inclusion of diverse community members.

Initial gender analysis

The below initial gender analysis (Table 2) outlines the gender roles, opportunities and challenges for men and women in Montenegro's education and skills system and labor market. These are important to understand, given that the project targets building Montenegro's adaptive capacity through strengthened human capital. The analysis below also outlines implications of the findings for project design in terms of gender risks and needs and shows how gender-responsiveness will be integrated across project activities.

Table 2: Gender Risks, Needs and Gender-Responsiveness of the Project Design

Gender-Related Risk / Need	Gender-Responsive Project Design Response
Boys show lower environmental awareness (66% vs. 73% of girls, PISA 2018), risking lower engagement in student-led climate adaptation projects.	Grant award procedure for student-led projects will assess gender-responsiveness and likely engagement of both boys and girls (Component 2).
Education materials lack gender-responsiveness (dominance of generic masculine form, minimal gender-relevant content; Education Reform Strategy 2025–2035).	New materials operationalizing the Climate Change cross-curricular theme will integrate gender-responsiveness by design (Component 2).
Persistent labor force participation gap (49.6% female vs. 61.8% male employment, 2023; women earn 11.9% less on average).	Awareness-raising on new/refreshed skills courses (Component 1) will target women where they are underrepresented in a given sector or field.
Employment gender gaps most pronounced among those with basic/intermediate education. Roma and Egyptian women face particularly high unemployment.	School infrastructure retrofits aiming to create additional, climate-resilient pre-school spaces (Component 2) targeted to areas of high socio-economic vulnerability and Roma concentration, supporting employment transitions among women, and Roma women in particular.
Teaching profession heavily female-dominated (~71%, OECD 2024); women bear disproportionate household/care responsibilities (68% women vs 10% men spend at least 1h on housework daily; 43% women vs 24% men are heavily involved in care for children, disabled or elderly).	Teacher self-paced training to be designed in an online format (Component 2) and adult learner training in priority adaptation sectors to be designed as flexible as stackable (Component 1), helping to accommodate women's care responsibilities.

Across Project Components, progress will be tracked through an M&E framework with gender-disaggregated indicators and a Gender Action Plan, to be developed at the full proposal stage.

To ensure that the project will not unintentionally increase risk, harm, or future vulnerability of beneficiaries or non-beneficiaries, nor reduce their capacity to adapt to climate change,

full compliance with the World Bank’s Environmental and Social Standards (ESSs) under the Bank’s Environmental and Social Framework (ESF), the Environmental and Social Policy and Gender Policy of the Adaptation Fund, Environmental Health and Safety (EHS) Guidelines and Good International Industrial Practices (GIIPs) will be ensured, as detailed in Section E below.

C. Describe or provide an analysis of the cost-effectiveness of the proposed project/programme.

The proposed project is designed to build climate resilience through a comprehensive approach that includes skills upgrading, infrastructure improvements, enhanced student engagement and learning, community partnerships, teacher and principal training, and learning and knowledge management. The preliminary analysis below (Table 3), to be further refined and elaborated, explains how each component is strategically designed to maximize benefits and minimize costs by reducing future damages, enhancing learning outcomes, and strengthening community resilience.

There remains a well-documented gap in literature when it comes to quantifying the benefits of climate-smart education investments (GPE & Save the Children, 2023²). Such data gap complicates the quantification of benefits from investments into better education and skills outcomes and innovation under the project Components, beyond the approximation of the cost-effectiveness of investing in climate-proofing Montenegro’s education infrastructure using stylized assumptions under Component 2 (see below). The global literature has addressed such data gap by using benefit-cost ratios (BCRs) for sector-agnostic disaster risk reduction (DRR) investments as a proxy, with estimates suggesting that USD 1 invested in DRR can yield between USD 4–15 in avoided post-disaster recovery costs (GPE & Save the Children, 2023; Sabarwal et al., 2024). Applying this same logic to Montenegro’s specific context, where the Country Climate and Development Report estimates BCRs for adaptation investments in the range of €2–10 for every €1 invested (CCDR, 2024), a BCR of comparable scale can reasonably be expected for climate-smart investments in education under Components 1 and 3, as well as non-infrastructure investments under Component 2, although this figure should be treated as an informed approximation given the underlying data gap.

The project embeds concrete mechanisms to sustain these cost-effectiveness gains. Targeting is evidence-based: Component 1 skills programs will follow rigorous needs analyses, while Component 2 infrastructure upgrades will prioritize schools documented to be at high exposure to overlapping climate hazards, directing funds where avoided-damage returns are highest. The feasibility-first approach to large capital commitments, such as a potential Centre of Excellence, avoids locking in recurrent costs future budgets cannot bear. Teacher training is designed with built-in multiplier effects — through the climate action network — generating continued value at minimal marginal cost beyond the investment period.

Table 3: Cost-effectiveness Analysis

² The Need for Climate-Smart Education Financing: A review of the evidence and new costing framework (2023)

Component	Cost-effectiveness	Alternative scenario
1. Skills for a climate-resilient economy	• Skills matched to actual transition needs. • Modernized facilities + training extend infrastructure life. • Resilient workforce cuts reliance on emergency/recovery spending. • Research grants inform better-targeted adaptation. • Feasibility-first approach ensures evidence-based major spending. • Estimated BCR of €2–10 for every €1 invested.	• Priority adaptation sectors without required skills, reduced ability to adapt to climate change effects in key sectors. • New programs not grounded in needs analyses/industry input; limited uptake and inefficient resource use. • High-cost investments (e.g., Centre of Excellence) pursued without feasibility evidence.
2. Climate-resilient infrastructure, learning & leadership	• Flood damage: ~\$90M/yr nationally → assuming ~\$4.5M/yr to schools (5% share), \$22.5M over 5 yrs. • Earthquake damage: ~\$70M/yr nationally → assuming ~\$3.5M/yr to schools (5% share), \$17.5M over 5 yrs. • Combined, estimated exposure (floods and earthquakes only): ~\$40M over 5 yrs; 50% reduction = \$20M in savings (conservative estimates). • Resilient schools double as emergency hubs, cutting recovery/emergency-service costs. • Adaptation learning builds long-term preparedness, reduces emergency response needs. • Teacher CPD scales via climate action networks; principal training limits disruption/recovery costs.	• No infrastructure upgrades; schools remain exposed to climate hazards. • Materials/activities not updated; no student-led projects and targeted CPD for teachers and principals; under-developed foundation for climate-resilient behaviors among youth, reducing their long-term adaptive capacity.
3. Learning & knowledge management	• Efficient, strategic use of resources. • Avoids repeating costly mistakes. • Builds institutional capacity for cheaper, more efficient future scale-up. • Estimated BCR of €2–10 for every €1 invested.	• No mechanism to capture/disseminate lessons learned. • Institutional capacity for scale-up not built.

D. Describe how the project/programme is consistent with national or sub-national sustainable development strategies, including, where appropriate, national adaptation plan (NAP), national or sub-national development plans, poverty reduction strategies, national communications, or national adaptation programs of action, or other relevant instruments, where they exist.

The project is consistent with several of Montenegro's strategic documents and projects, presented in Tables 4-5 below. All entries are detailed to the extent that available information permits.

Table 4: Strategies and plans

Title	Brief description	Project alignment
Climate Change Adaptation Plan 2025–2035 with the Action Plan 2025–2027	Montenegro's key national adaptation planning document. It identifies agriculture, water, health and tourism as priority adaptation sectors and includes cross-cutting measures related to education, awareness, capacity and preparedness for climate change impacts. Link	Direct alignment with Components 1, 2 and 3. Component 1 is directly aligned with the priority adaptation sectors by supporting skills needs analyses, VET/HE/LLL programmes, upgraded laboratories/workshops, research grants and feasibility work for a possible HE Centre of Excellence. Component 2 contributes to climate-resilient schools, climate education, student-led adaptation projects and teacher and principal capacity. Component 3 strengthens institutional capacity and knowledge management for adaptation implementation and replication.
National Strategy for Sustainable Development by 2030	Montenegro's central sustainable development strategy. It defines sustainable management of human, social, natural and economic resources as a priority for the country's long-term development and serves as the national framework for implementing Agenda 2030 and the Sustainable Development Goals (SDGs).	Alignment with Components 1, 2 and 3. Component 1 supports sustainable human capital and knowledge systems in priority adaptation sectors. Component 2 supports resilient and inclusive education infrastructure, climate literacy, gender-responsive learning materials and school-community adaptation activities. Component 3 supports institutional learning

	Link	and capacity for future replication of sustainable and climate-resilient interventions. The project contributes particularly to SDG 4, quality education; SDG 5, gender equality; SDG 7, affordable and clean energy; SDG 9, industry, innovation and infrastructure; SDG 11, sustainable cities and communities; SDG 12, responsible consumption and production; SDG 13, climate action; and SDG 17, partnerships.
Education Reform Strategy 2025–2035 with the Action Plan 2025–2026	Montenegro's long-term education reform framework. It covers education quality, foundational skills, teacher professional development, inclusive and gender-responsive education, digitalization, and modern, safe and climate-resilient school infrastructure. It also includes Measure 4.1.4, focused on developing and updating construction standards for educational institutions, ensuring that buildings are climate-resilient and energy-efficient. Summarizes new/recent capital investment projects in education (44 projects in the value of EUR 245 million). link	Direct alignment with Components 2 and 3, and relevant alignment with Component 1. Component 2 supports climate-resilient school and pre-school infrastructure, operationalization of the cross-curricular theme “Climate Change”, student-led climate adaptation projects, and CPD for teachers and school principals. It also directly supports the Strategy's focus on climate-resilient and energy-efficient education infrastructure. Component 3 strengthens MoESI and related institutions to manage, monitor and replicate climate-resilient education investments. Component 1 contributes to the broader skills agenda through VET/HE/LLL programmes linked to climate-smart practices.
Strategy for the Digitalization of the Education System 2022–2027	Montenegro's national strategy for advancing the digital transformation of education. It focuses on strengthening digital infrastructure, digital learning resources, digital competences of teachers and students, and the use of digital technologies to improve the quality, accessibility and resilience of education. Link	Direct alignment with Components 2 and 3. Component 2 supports the digital availability of teacher and student materials, including climate-related learning resources, and strengthens teacher digital skills relevant for climate adaptation education and continuity of learning during climate-related disruptions. Component 3 supports institutional learning, knowledge management and dissemination of project lessons through digital channels and systems.
Montenegro Reform Agenda 2024–2027	National reform and investment agenda adopted by the Government of Montenegro in the context of the EU Growth Plan for the Western Balkans. It includes education-related reforms and a list of planned capital investments in reconstruction and upgrading of the education infrastructure. Link	Alignment with Components 2 and 3. Component 2 complements planned education infrastructure investments by focusing specifically on climate resilience, nature-based solutions and climate-resilient pre-school spaces. Component 3 strengthens institutional capacity to plan, manage and monitor such investments and helps avoid overlap with existing and planned infrastructure funding.
National Circular Transition Strategy 2030	The National Circular Transition Strategy until 2030 is a strategic framework designed to shift economy toward the sustainable development of Montenegro. It enables adaptation to climate change and strengthens the resilience of the economy while ensuring citizens' quality of life and the protection of natural resources. As horizontal priorities, it emphasizes innovation, education, waste management, and green public procurement. Link	Alignment with Components 1, 2 and 3. Component 1 aligns with the Strategy's focus on green jobs, innovation, resource efficiency and circular transformation of key sectors, including agriculture and tourism. Component 2 aligns with its focus on circular construction, sustainable use of resources, eco schools, education programmes and awareness-raising among young people. Component 3 aligns with its emphasis on coordination, monitoring, reporting and learning for circular transition.
National Energy and Climate Plan of Montenegro	Strategic national framework for energy and climate policy, including energy efficiency, renewable energy, decarbonization and public building renovation. It is relevant for school buildings, energy performance, renewable energy and climate-related planning. Link	Alignment with Components 1, 2 and 3. Component 2 supports energy-efficient and climate-resilient school infrastructure, including possible insulation, improved ventilation, solar panels and related measures. Component 1 supports skills and research relevant to renewable energy, sustainable resource management and climate-smart practices. Component 3 supports institutional capacity for planning and monitoring climate-resilient and energy-efficient investments.

Strategy for Disaster Risk Reduction 2025–2030 with the Action Plan	National framework for strengthening DDR, preparedness and resilience to hazards. It is relevant for schools exposed to floods, landslides, heatwaves, droughts, storms, wildfires and seismic risks. Link	Alignment with Components 2 and 3, and partial alignment with Component 1. Component 2 supports safer and more resilient education infrastructure, school-level risk preparedness, and student-led adaptation projects. Teacher and principal capacity-building under Component 2 strengthens school-level preparedness and continuity of education during climate-related disruptions. Component 3 supports institutional capacity for project management, M&E and replication of resilience interventions. Component 1 contributes indirectly by building sectoral skills needed to anticipate and manage climate risks.
Smart Specialization Strategy of Montenegro 2019–2024 and emerging S3 priorities for 2026–2031	Montenegro's national smart specialization framework identifies priority areas relevant to a modern, sustainable and digital economy, including sustainable agriculture and food value chains, energy and sustainable environment, sustainable and health tourism, ICT and related innovation priorities. Link	Strong alignment with Component 1 and relevant alignment with Component 2. Component 1 directly supports skills, VET/HE/LLL programmes, laboratories/workshops, research grants and possible Centre of Excellence feasibility work in areas linked to smart specialization priorities. Component 2 contributes by developing climate literacy, foundational skills, digital skills and student engagement needed for future participation in sustainable innovation sectors.
Smart Specialisation Strategy of Montenegro 2026–2031 with the Action Plan 2026–2027	National framework for research, innovation and development, focused on five priority areas: construction adapted to nature and people, energy and sustainable environment, sustainable agriculture and food value chains, ICT and digital innovation, and innovative, regenerative and sustainable tourism. Link	Strong alignment with Component 1, and relevant alignment with Components 2 and 3. Component 1 directly supports S3 priorities through climate-relevant VET/HE/LLL programmes, skills needs analyses, upgraded VET/HE laboratories, research grants and potential Centre of Excellence feasibility work. Component 2 contributes through climate-resilient infrastructure, digital learning resources, green and digital skills, and student-led adaptation projects. Component 3 contributes through institutional capacity-building, knowledge management, monitoring and dissemination of lessons learned.
Agriculture and Rural Areas Development Strategy 2023–2028	National sector strategy relevant to agriculture and rural development, including sustainable use of natural resources and high-quality agricultural and food production. Agriculture is one of the priority adaptation sectors identified in Montenegro's adaptation planning.	Alignment with Components 1 and 2. Component 1 supports skills needs analyses, VET/HE/LLL programmes, upgraded laboratories/workshops and research grants related to climate-smart agriculture and adaptation in rural areas. Component 2 can support student-led adaptation projects and school-community activities involving farmers and local rural stakeholders.
Tourism Development Strategy of Montenegro 2022–2025 with the Action Plan	National sector strategy relevant to tourism, one of Montenegro's priority adaptation sectors. It includes sustainable tourism, rural tourism, eco-tourism and climate-related considerations for tourism development.	Alignment with Components 1 and 2. Component 1 can support VET/HE/LLL programmes and research on climate-smart practices in tourism, including sustainable and eco-tourism. Component 2 can support climate education and student-led projects that connect schools with local tourism operators and communities, especially in areas where climate risks affect tourism, coastal zones and local livelihoods.
Healthcare Development Strategy 2023–2027	Montenegro's national health sector development strategy, focused on improving the quality, accessibility and sustainability of healthcare services. It is relevant to climate adaptation because climate change increases health risks, including heat stress, air quality and water-related risks, vector-borne diseases and service disruptions during emergencies.	Alignment with Component 1 and Component 2, and partial alignment with Component 3. Component 1 can support VET/HE/LLL and research related to climate-health risks, public health preparedness and adaptation in the health sector. Component 2 supports climate literacy, school preparedness, teacher/principal training and student learning on links between climate change and health, including heat preparedness, safe school environments and continuity of learning during

		emergencies. Component 3 can support knowledge sharing on school-based climate-health preparedness and resilience.
Water Management Strategy of Montenegro until 2035 and River Basin Management Plans for the Adriatic and Danube Basins	Montenegro's strategic and planning framework for water management. It is relevant to sustainable water use, protection of water resources, river basin management, flood and drought-related risks, water supply, wastewater management and alignment with EU water policy.	Alignment with Components 1 and 2, and partial alignment with Component 3. Component 1 can support skills and research relevant to climate-resilient water management, water efficiency, hydrometeorological risks and adaptation in water-related sectors. Component 2 supports school infrastructure measures such as waterproofing, drainage, rainwater harvesting, permeable surfaces and practical student learning on floods, droughts, water scarcity and responsible water use. Component 3 can support institutional learning and dissemination of lessons on water-related resilience measures in schools and communities.

Table 5: Relevant projects

Title	Brief description	Project complementarity
Enhancing Montenegro's capacity to integrate climate change risks into planning (NAP / CCAP project)	Brief description: Green Climate Fund (GCF) - funded and UNDP supported project to strengthen Montenegro's institutional capacity for long term adaptation planning. It supported institutional coordination, technical capacities, evidence base and resource mobilization for adaptation planning. Priority adaptation sectors include agriculture, water, health and tourism. Timeline: 2020–2024, completed. Implementing / partner institutions: Government of Montenegro, UNDP, GCF. Location: nationwide. adaptation-undp.org Budget: US\$ 1,721,932	Synergies: This is the key strategic predecessor. The proposed Adaptation Fund project translates the adaptation planning framework into concrete education-sector and skills interventions, particularly VET/HE/LLL programmes in priority adaptation sectors. Avoiding overlap: The proposed AF project will not duplicate national adaptation planning, CCAP preparation, broad institutional coordination mechanisms, national climate-risk assessments or general adaptation finance mobilization work already supported under the NAP / CCAP project. Instead, it will focus on what the NAP / CCAP did not finance: school infrastructure works, school retrofits, teacher CPD, principal training, school-level emergency preparedness, curriculum development, textbooks, learning materials or student projects. Relevant learnings: The AF project will use CCAP vulnerability findings and sectoral priorities as the basis for skills diagnostics and school/community interventions.
Series of projects for construction and renovation of pre-school facilities, CEB	Brief description: 1) Construction, re-construction and upgrade of seven pre-school facilities; 2) Construction of four new kindergartens; both using energy efficiency and climate resilience designs. Timeline: 1) 2019 – ongoing; 2) 2026 - ongoing Implementing / partner institutions: MoESI Location: 1) four facilities in Podgorica; three in the Northern municipalities of Berane, Bijelo Polje and Plav; 2) Bar, Berane, Podgorica, Ulcinj Budget: 1) €10 million; 2) €5,8 million	Synergies: Component 2 will complement CEB's investments in Montenegro's pre-school infrastructure through climate-resilient repurposing of unused school spaces into pre-school facilities. Avoiding overlap: The AF project will not intervene in existing kindergartens, incl. CEB-financed. Relevant learnings: Enabling conditions from the local context for timely completion of infrastructure works.
Enhancing School Infrastructure in Montenegro / Better Schools for All, EIB Global / UNOPS / MoESI	Brief description: Nationwide technical assessment of Montenegro's preschool, primary and secondary school infrastructure. It assesses quality, safety, inclusiveness and modern learning conditions across 813 facilities. Timeline: launched in 2026, ongoing. Implementing / partner institutions: UNOPS, EIB Global, MoESI.	Synergies: This project can provide the technical baseline for selecting schools under the Adaptation Fund project, especially on structural safety, accessibility, WASH, ventilation, energy efficiency, inclusiveness and basic infrastructure conditions. Avoiding overlap: It is an assessment and technical assistance project, not a works-financing project. The proposed project would use its findings to finance targeted climate-resilience measures.

	Location: nationwide. European Investment Bank Budget: €2.3 million	Relevant learnings: School selection should be evidence based, using transparent criteria that combine regional representation, infrastructure condition, climate exposure, vulnerability of users and feasibility of interventions.
Montenegro Education Programme, EIB / EU / WBIF / MoESI	Brief description: Major education infrastructure modernization programme covering construction and/or renovation of public education infrastructure, including kindergartens, primary schools, gymnasiums and vocational schools. It also includes ICT equipment, furniture and specialised equipment for vocational schools. The programme covers 13 education facilities and is linked to EU/WBIF support and EIB financing. Timeline: signed in 2019, ongoing implementation Implementing / partner institutions: MoESI, Ministry of Finance, Directorate for Capital Projects, EIB, EU/WBIF. Location: selected facilities nationwide. MEP Budget: €64 million	Synergies: The proposed AF project can complement this investment cycle by adding a more targeted climate-adaptation focus, including hydrometeorological risk reduction, nature based solutions, climate resilient school planning, and adaptation learning use of upgraded facilities. Avoiding overlap: The proposed project will not finance the same reconstruction, ICT, furniture, VET equipment or energy-efficiency measures already covered by MEP. During full proposal preparation, the project will verify the latest MEP facility list and intervention packages. Interventions in overlapping facilities will be avoided to the extent possible, and where necessary limited to clearly additional adaptation measures not financed under MEP. Relevant learnings: Large infrastructure programmes need strong facility-level coordination and clear tracking of facilities, works, financing and timelines. Climate resilience should be built into planning from the start.
Education Energy Efficiency Project, EBRD / EU REEP / Government of Montenegro	Brief description: Implementation of energy-efficiency measures in 24 public educational buildings in 10 cities, including 18 elementary schools, 3 secondary schools, 2 kindergartens and one higher education school. The project aims to improve energy performance, thermal comfort, health and wellbeing of users, and is linked with EU REEP support. Timeline: approved in 2024, status: active Implementing / partner institutions: Ministry of Education, Science and Innovation, Ministry of Finance, EBRD, EU REEP. Location: 10 cities across Montenegro. EBRD Budget: €24.1 million	Synergies: Strong complementarity with school comfort, heat-resilience and energy performance objectives. The Adaptation Fund project can add broader adaptation measures, such as flood-proofing, drainage, rainwater harvesting, shading, permeable surfaces, tree planting, school preparedness protocols and continuity-of-learning arrangements. Avoiding overlap: The proposed project will not finance the same EE/RE measures in the same buildings, such as insulation, windows, heating/cooling, lighting or solar panels, if already financed by EBRD/EU REEP. Where facilities may overlap, Adaptation Fund support will be limited to clearly additional climate-adaptation measures. Relevant learnings: Energy-efficiency investments can improve comfort and reduce costs, but they do not fully address climate risks. Future school investments should combine energy performance with measures for heat, flooding, drainage, water scarcity, landslides and learning continuity during climate-related disruptions.
Energy Efficiency Programme in Public Buildings, EEPBP, KfW / Government of Montenegro, completed phase	Brief description: Completed KfW-supported programme implemented by the Directorate for Energy Efficiency, focused on improving energy efficiency, comfort and working conditions in selected educational buildings. Measures included insulation, windows, heating/cooling, hot water, lighting and related works. It covered 20 primary and secondary schools and one student dormitory. Timeline: 2012–2015, completed. Implementing / partner institutions: Government of Montenegro / Directorate for Energy Efficiency, KfW, education sector institutions. Location: selected education facilities across Montenegro. Energetska Efikasnost Budget: €13.44 million	Synergies: Provides useful national experience on energy audits, school renovation, procurement, works supervision, monitoring of energy savings and comfort improvement. Avoiding overlap: No direct implementation overlap, as the programme is completed. The proposed AF project will be positioned as broader climate-resilience and adaptation support, not as a broader energy-efficiency project. Relevant learnings: Future investments should integrate multi-hazard adaptation and school continuity planning from the start. School management should be involved early, so that upgraded systems are properly operated, maintained and monitored after works are completed.
Promotion of Energy	Brief description: Ongoing public-building energy-efficiency programme supported	Synergies: Complementary because it improves energy performance and comfort in school buildings, both relevant

Efficiency in Public Buildings / Greening Public Infrastructure in Montenegro, KfW / EU / WBIF / REEP	through KfW, EU/WBIF/REEP channels. It focuses on energy-efficient rehabilitation and modernization of public buildings. WBIF/REEP information refers to large-scale energy-efficiency investments in 46 educational public buildings, mainly schools, but also student dormitories and one home for elderly. Timeline: ongoing Implementing / partner institutions: Government of Montenegro, KfW, EU/WBIF/REEP. Location: selected public buildings across Montenegro, including education facilities. WBIF Budget: €59.7 million	for resilience. The proposed project can add missing climate-adaptation dimensions, including site-specific climate risk reduction, schoolyard nature-based solutions, water management and climate-risk protocols. Avoiding overlap: The proposed AF project will avoid financing the same measures in facilities covered by KfW/EU/WBIF/REEP. Complementarity is strongest where Adaptation Fund support finances distinct adaptation measures, such as flood protection, heat-risk reduction, rainwater management, permeable surfaces, native tree planting and learning-continuity arrangements. Relevant learnings: Energy efficiency is important but does not fully address climate risks. Where EE programmes are already active, the AF project should identify remaining adaptation gaps, rather than duplicate existing measures.
Higher Education Research for Innovation and Competitiveness Project, HERIC, World Bank / IBRD, completed	Brief description: World Bank / IBRD project that strengthened the quality and relevance of higher education and research in Montenegro. Its key features included reforms of higher education finance and quality assurance, competitively awarded research grants, internationalisation initiatives, scholarships for master's, PhD and postdoctoral studies, collaborative research and development subprojects, project management and M&E, and the establishment of a pilot Centre of Excellence model. Implementation partners: HERIC, Ministry of Education, Ministry of Science Location: National level, Montenegro Timeline: Concluded 2019. Budget: US\$15.98 million	Synergies: The proposed Adaptation Fund project can build on the higher education, research and innovation capacities developed under HERIC, while applying them to a targeted climate-adaptation agenda. It can support climate-resilience skills, applied adaptation research, updated HE, VET and lifelong learning programmes, stronger links between universities and priority adaptation sectors, and possible feasibility work for climate-focused centres of excellence or applied research platforms. Avoiding overlap: HERIC is completed, so the main duplication risk is not with ongoing financing, but with repeating already established generic higher education reform activities. Relevant learnings: Competitive research grants and Centre for Excellence works best when selection is transparent, outputs are clear, and actions are linked to real sector needs. The project should focus on applied climate-resilience research and skills in priority adaptation sectors, rather than broader higher education reforms.
Montenegro Energy Efficiency Project, MEEP, World Bank / IBRD, completed	Brief description: World Bank / IBRD-supported energy-efficiency project in social public buildings. The first phase financed EE measures in six healthcare buildings and nine educational buildings. Timeline: February 2009–December 2014, completed. Implementing / partner institutions: Government of Montenegro, IBRD / World Bank. Location: selected health and education facilities. Energetska Efikasnost	Synergies: Useful historical learning reference for public-building energy-efficiency retrofits, technical monitoring and demonstration effects in education and health facilities. Avoiding overlap: No implementation overlap, as the project is completed. The proposed project will use MEEP as a learning reference. Relevant learnings: Public-building retrofits should monitor actual results, including energy savings, comfort and user satisfaction. The proposed project should also track adaptation-specific results, such as reduced heat exposure, better water management, lower flood risk and continuity of learning.
Montenegro Second Energy Efficiency Project, MEEP2, World Bank / IBRD, completed	Brief description: Completed World Bank / IBRD project focused on improving energy efficiency in health-sector public buildings and developing a sustainable energy-efficiency financing model. Key features included energy-efficiency retrofits, capacity building, project implementation support, monitoring and verification, beneficiary comfort reporting, and work on an energy-savings capture model. The project retrofitted 18 public health buildings. Timeline: Approved in 2018 and closed in 2025. Implementing / partner institutions:	Synergies: The proposed Adaptation Fund project can build on MEEP2's experience with public-building retrofits, energy audits, technical design, works supervision, technical and social monitoring, energy performance certification, energy-consumption monitoring, and the energy-savings capture model. Although MEEP2 focused on health buildings, its implementation model is relevant for planning, procuring, monitoring and maintaining climate-resilient school infrastructure upgrades. Avoiding overlap: MEEP2 is completed and focused on health-sector facilities, so direct facility-level overlap with education infrastructure is limited. Relevant learnings: MEEP2 offers useful lessons on

	Government of Montenegro, Ministry of Health, Ministry of Economy, World Bank / IBRD, Location: Selected public health buildings in Montenegro. Budget: €6 million	technical design, works supervision, monitoring, comfort reporting and energy-use tracking. Its approach can inform planning, procurement and maintenance of climate-resilient school infrastructure upgrades.
Montenegro Energy Sector Decarbonization Project, MESDP, World Bank / IBRD,	Brief description: Aims to improve the energy efficiency of public buildings and enable the integration of additional renewable energy capacity into the power distribution grid in Montenegro. Budget: €31million Timeline: Ongoing, 2024-2030 Location: Includes EE retrofitting of 23 public buildings, including 16 buildings (rectorate, faculties, etc.) of the University of Montenegro (UCG, the only public and the largest university in Montenegro) and 7 additional public buildings. Up to 12% of the foreseen retrofit investment (EUR 10.8M) in these buildings can be directed towards strengthening their climate resilience (e.g. reducing flood risks and increasing the ability to maintain comfort levels during heatwaves).	Synergies: Complementing the MESDP-supported building envelope retrofits at the UCG, this project will further strengthen the higher education infrastructure by modernizing research laboratories with the latest technology and equipment (under Component 1) to foster climate-adaptive learning. Avoiding overlap: MESDP will support retrofits of the building envelope at the UCG, while where this project foresees infrastructure interventions at the higher education level, it will focus on technology upgrades of existing research labs (under Component 1). Relevant learnings: During implementation, MESDP will be able to provide early lessons on effective climate resilience infrastructure solutions and enablers of their effective and timely implementation in the local context, important for Component 2 (comprehensive school retrofits). Sharing of experiences will be facilitated by establishing connections between the MESDP Project Management Unit (PMU) and this project's PMU at MoESI.
Digital, Inclusive and Transformative: Quality Education for Montenegro	Brief description: Joint UN initiative supporting digital transformation and inclusive, student-centred education in disadvantaged communities. It aims to create opportunities for over 6,000 girls and boys in the poorest Northern region of Montenegro to develop digital skills in schools, with support to teachers and parents. Aims to train 581 teachers in 12 schools across six northern municipalities. Timeline: ongoing. Implementing / partner institutions: MoESI, UNESCO, UNICEF, ILO and UN partners. Location: Northern Montenegro. Budget: US\$ 500,000 The United Nations in Montenegro	Synergies: Strong complementarity with the proposed project's focus on foundational and digital skills, teacher capacity, use of digital platforms and continuity of learning during climate-related disruptions. Avoiding overlap: The existing initiative is primarily focused on digital and inclusive education. The AF project will focus on climate adaptation content for students, and primarily teacher/principal capacity-building for climate resilience. Where this AF projects foresees digital skills training for teachers, it will focus on those not already covered by this UN initiative. Overlap will be avoided through coordination with MoESI and UN partners, using the UN project's teacher-level coverage data. Relevant learnings: Climate education should use existing digital infrastructure and platforms, especially for teacher support, online communities of practice, digital resources and emergency learning continuity.
Eco-Schools / Green Flag Award in Montenegro	Brief description: Whole-school environmental education model implemented in Montenegro through the international Eco-Schools framework. Montenegro joined the Eco-Schools family through Bureau for Education membership in 2016, and the first Green Flags were awarded in 2018. Since then, 95 schools and preschool institutions are included, and 41 fulfilled all the criteria for internationally recognized award. The programme promotes environmental culture, student participation and school-level sustainability action. Timeline: since 2016, ongoing. Implementing / partner institutions: Bureau for Education Services / Eco-Schools framework, with support from relevant national and international partners. Location: Montenegro, selected schools nationwide. Budget: Not applicable as a fixed project	Synergies: Strong basis for whole-school climate action, school eco-committees, student leadership, school greening and community engagement. The proposed project can connect student-led adaptation projects to existing Eco-Schools structures where available. Avoiding overlap: The proposed project will not duplicate general environmental awareness activities, broad school activities that help students understand and care about the environment but are not necessarily focused on climate adaptation or specific climate risks, or the Green Flag accreditation process. The Adaptation Fund project will focus specifically on climate adaptation, formal curriculum operationalisation, infrastructure resilience and targeted teacher/principal CPD. Relevant learnings: Recognition mechanisms and visible school-level action can motivate schools and students. However, school action should be linked to structured learning outcomes and adaptation-specific risk reduction.

	budget. Eco-Schools is an international programme, and Montenegro, through the Bureau for Education, pays an annual fee based on the number of participating schools, which changes from year to year. Eco Schools	
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E. Describe how the project/programme meets relevant national technical standards, where applicable, such as standards for environmental assessment, building codes, etc., and complies with the Environmental and Social Policy of the Adaptation Fund.

The project will ensure compliance with the relevant national technical standards, summarized in Table 6.

Table 6: National technical standards

Title of the standard/regulation	Brief description	Project compliance
Law on Spatial Planning and Construction of Structures (Official Gazette of Montenegro Nos. 64/17, 44/18, 63/18, 11/19, 82/20, 86/22 and 4/23)	Regulates the planning, design, reconstruction, construction, technical review and use of buildings. It establishes the legal framework applicable to rehabilitation and adaptation of public buildings, including schools and preschools.	All rehabilitation works will be designed, reviewed and implemented in accordance with the Law. Compliance will be verified through preparation and approval of technical documentation, construction supervision and technical acceptance of completed works.
Law on Efficient Use of Energy (Official Gazette of Montenegro Nos. 57/14, 3/15, 25/19, 140/22 and subsequent amendments)	Establishes the legal framework for improving energy efficiency in buildings and requires application of minimum energy performance requirements during renovation of public buildings.	Energy efficiency measures included under the project (thermal insulation, replacement of windows and doors, roof insulation, etc.) will comply with the Law. Compliance will be demonstrated through energy calculations and technical documentation.
Rulebook on Minimum Energy Performance Requirements for Buildings (Official Gazette of Montenegro No. 47/24)	Defines minimum energy performance requirements, including maximum thermal transmittance (U-values) for building envelope components and technical systems.	Detailed design documentation will demonstrate compliance with the prescribed minimum energy performance requirements. Construction supervision will verify that all specified materials and systems are installed accordingly.
Rulebook on the Content and Form of Technical Documentation (Official Gazette of Montenegro, as amended)	Defines the mandatory content of technical documentation required for reconstruction and adaptation of buildings.	All project documentation will be prepared by licensed designers in accordance with the Rulebook and reviewed during the permitting process before construction begins.
Law on Fire Protection (Official Gazette of Montenegro Nos. 13/07, 30/12, 33/14, 20/15, 87/22)	Establishes fire safety requirements for public buildings, including evacuation, fire resistance and protection systems.	Fire safety measures will be integrated into the design and verified through technical review, construction supervision and final inspection prior to occupancy.
Law on Waters (Official Gazette of Montenegro Nos. 27/07, 32/11, 47/11, 48/15, 52/16, 55/16, 2/17, 80/17, 84/18 and 3/23)	Regulates protection and sustainable use of water resources, including drainage and stormwater management relevant to climate resilience measures.	Waterproofing, drainage improvements and stormwater management measures will be incorporated into the design and implemented in accordance with the Law. Compliance will be confirmed during design review and construction supervision.
Law on Environmental Protection (Official Gazette of Montenegro Nos. 52/16, 73/19 and 73/21)	Establishes principles for environmental protection, pollution prevention and sustainable development applicable to infrastructure projects.	Environmental mitigation measures identified in the Environmental and Social Management Plan (ESMP) will be implemented throughout construction and monitored by the supervising engineer and the PMU.
Law on Waste Management (Official Gazette of Montenegro Nos. 64/11, 39/16 and 70/21)	Regulates collection, transport, treatment and disposal of construction and demolition waste.	Contractors will prepare and implement construction waste management procedures. Compliance will be monitored through site inspections and contractor reporting.
General Law on Education (Official Gazette of the Republic of Montenegro)	Defines minimum requirements for educational institutions, including	Rehabilitation works will ensure that upgraded facilities continue to meet all

Nos. 64/02, 31/05, 49/07, Official Gazette of Montenegro Nos. 45/10, 45/11, 39/13, 44/13, 47/17, 59/21 and subsequent amendments)	safe and functional learning environments.	requirements applicable to educational institutions. Compliance will be confirmed through approval by the competent education authorities where required.
Rulebook on Detailed Conditions for Establishment and Operation of Preschool Institutions (Official Gazette of Montenegro)	Establishes minimum technical, sanitary, spatial and functional standards for preschool facilities, including indoor environment, sanitation, accessibility and safety.	Repurposed preschool spaces will be designed in accordance with the prescribed standards. Compliance will be verified during technical review and prior to commissioning of the facilities.
Law on Safety and Health at Work (Official Gazette of Montenegro Nos. 34/14, 44/18)	Establishes occupational health and safety requirements applicable during construction and rehabilitation works.	Contractors will prepare and implement Occupational Health and Safety Plans. Compliance will be monitored through regular site supervision and reporting.

As noted above, under the School Infrastructure Assessment, conducted through collaborative efforts between UNOPS, the EIB and UNICEF Montenegro, the development and updating of construction standards for educational institutions is foreseen. Activities under Component 2 of this project will therefore follow closely the progress of the Working group to be formed as part of the School Infrastructure Assessment for this purpose, and the regulations and guidelines that will be prepared.

F. Describe if there is duplication of project/programme with other funding sources, if any.

The project is not duplicative of existing funding sources but rather seeks complementarities with ongoing initiatives. Complementarity with existing investments was sought through careful mapping (see Tables 4-5 above) and active consultations with national authorities and other development partners active in the country during the development of this project's concept (see Section H).

Complementarity will be further ascertained at full project proposal development stage when specific facilities for infrastructure improvements, and the types of infrastructure upgrades to be pursued, will be selected. For the identified projects and strategies in Tables 4-5, the exact, updated lists of planned capital investments will be obtained and analyzed in order to avoid duplication. Equally, student-led project activities foreseen under Component 2 will build on knowledge and experience of relevant existing models, activities and projects (e.g. community projects, competitions, etc.) for youth on climate crisis, climate adaptation, air quality and environmental protection, developed by CSOs, development partners, and other stakeholders.

G. If applicable, describe the learning and knowledge management component to capture and disseminate lessons learned.

The project is designed to effectively capture and disseminate lessons learned from the relevant individual components as well as the project overall, within and beyond Montenegro's education system. The objective is to support potential future replication and upscaling of similar initiatives in the area of climate resilience in and through education and training in Montenegro.

The project's Component 3 is fully dedicated to learning and knowledge management, and is described in detail in Section A above.

H. Describe the consultative process, including the list of stakeholders consulted, undertaken during project preparation, with particular reference to vulnerable groups, including gender considerations, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

The preparation of this project's concept involved consultations with the Designated Authority and Executing Entity; as well as other development partners. These were undertaken in successive rounds between June 2025 – June 2026, in a hybrid format. The discussion topics, outcomes and participants are outlined below in Table 7.

Table 7: Consultations with the Designated Authority, Executing Entity and development partners

Designated Authority/ Executing Entity Consultations: June 2025 – March 2026, hybrid (Podgorica/online)	
Topics discussed - Draft project design - Alignment with the new National Adaptation Plan - Endorsement letter	
Summary of Key Findings and Considerations Integrated into Project Design - Input: MoESI emphasized sustainable development, including climate mitigation and adaptation, as a high-ranking cross-cutting priority, stressing the need for climate-resilient infrastructure upgrades and teacher continuous professional development (CPD). Response: Reflected under Component 2. - Input: MoESI highlighted the importance of leveraging digitalization in support of climate adaptation in the education sector. Response: Reflected under Component 1. - Input: MoESI stressed the need to align the project with Montenegro's ongoing EU accession process and ensure complementarity with related education reforms. Response: Reflected in Section F. - Input: Ministry of Ecology emphasized the role of climate and climate adaptation education in fostering lasting behavioral change and strengthening societal adaptive capacity. Response: Integrated across Component 1-3. - Input: Ministry of Ecology underscored the importance of equitable distribution of project benefits across regions, particularly given the challenges facing the Northern region. Response: Reflected in the preliminary selection of the three tentative focus municipalities, among them one in the North (see more under Activity 2.1.1), to be confirmed at the full proposal stage. - Input: Ministry of Ecology highlighted the importance of more closely aligning the project with the CCAP. Response: Entirety of Component 1 structured around the priority adaptation sectors identified in the CCAP.	
Participants (Male: 30%; Female: 70%)	
Name	Role, Organization
Zoran Dabetic	State Secretary, Ministry of Ecology, Sustainable Development and Northern Region Development
Ivana Gruijic	Director, Directorate for Climate Change and Sustainable Development, Ministry of Ecology, Sustainable Development and Northern Region Development
Dragan Markovic	State Secretary, Ministry of Education Science and Innovation (MoESI)
Tatjana Calasan	State Secretary, Ministry of Education Science and Innovation (MoESI)
Denis Mesihovic	Senior Operations Officer, World Bank
Rita Almeida	Program Manager, World Bank
Nathalie Lahire	Senior Economist, World Bank
Bojana Naceva	Senior Education Specialist, World Bank
Laura Reznikova	Analyst, World Bank
Dragana Varezic	Senior Program Assistant, World Bank
Development Partner Consultations, May 2025-March 2026, hybrid (Podgorica/online)	
Topics discussed - Synergies with other development partner projects	
Summary of Key Findings and Considerations Integrated into Project Design - Input: Relevant ongoing projects and initiatives mentioned include the "Enhancing School Infrastructure in Montenegro / Better Schools for All" project, grants and loans from the EIB and CEB for education infrastructure interventions integrating climate resilience, etc. Response: Documented and integrated in Sections D and F.	
Participants (Male: 36%; Female: 64%)	
Name	Role, Organization
Michele Servadei	UNICEF Representative to Montenegro
Maja Kovacevic	Education Officer, UNICEF
Nikola Vulic	Education Officer, UNICEF

Lucia Brajkovic	Sector Economist, European Investment Bank
Anthony Friedman	Sector Engineer, European Investment Bank
Karin Lepp	Country Manager, Council of Europe Development Bank
Yael Duthilleul	Principal Education Technical Advisor, Council of Europe Development Bank
Nathalie Lahire	Senior Economist, World Bank
Bojana Naceva	Senior Education Specialist, World Bank
Laura Reznikova	Analyst, World Bank

These consultations were complemented by inclusive and gender-responsive engagement with non-governmental stakeholders, with particular attention to the needs of vulnerable and marginalized groups. Participants included representatives of the Directorate for Education of Members of the Minority Peoples, as well as principals and teachers from schools across the 3 regions of Montenegro (Northern, Central and Southern), including Podgorica, which has been pre-identified to be among the tentative, geographic focus areas of the project (Activity 2.1.1.), to be confirmed at the full proposal stage. The consultations were held fully online on June 29, 2026, to enable participation from all groups, including those in rural or remote areas, with simultaneous English–Montenegrin interpretation provided to ensure meaningful engagement. The majority of participants (53%) were female.

Table 8 lists the participants across all consultations and summarizes the topics discussed, key findings, and how these were integrated into the project design.

Table 8: Consultations with non-governmental stakeholders

Non-governmental Stakeholders Consultations, June 29, 2026, virtual	
Topics discussed	- Relevance of project design (Components, Activities) - Equal distribution of benefits to vulnerable groups - Potential implementation challenges - Ongoing projects with similar scope to support synergies and avoid overlap - Results of the preliminary E&S risk screening
Summary of Key Findings and Considerations Integrated into Project Design	- Input: Broad and clear agreement on the relevance of the project and its components. Response: confirms overall project design. - Input: Priority retrofit needs identified include air conditioning/ventilation and natural infrastructure solutions such as green schoolyards. Response: Confirms relevance of Activity 2.1.1. - Input: Value highlighted in adding an international peer-learning element to allow exchange of experience with other countries. Response: Integrated under Activity 3.1.2. - Input: Infrastructure retrofit needs also extend to higher education. Response: Clarified in Section D — under the World Bank-financed Montenegro Energy Sector Decarbonization Project (MESDP), energy efficiency interventions are already planned for 16 buildings of the University of Montenegro (UCG), and up to 12% of the EUR 10.8M investment can be directed toward strengthening their climate resilience. - Input: Modular program design emphasized as critical for uptake — past upskilling/reskilling programs for hard-to-employ persons saw low participation due to overly complex, lengthy designs, whereas shorter, modular formats are more attractive. Response: Integrated under Activity 1.1.2. - Input: Existing qualifications already incorporate some "green skills" elements, but coverage remains insufficient, with notable gaps in priority adaptation sectors. Response: Confirms relevance of Activities 1.1.1–1.1.2. - Input: Awareness-raising on new training offers identified as an important complementary need. Response: Integrated under Activity 1.1.2. - Input: Confirmed demand from businesses in priority adaptation sectors for workers with green skills and climate resilience competencies, alongside persistent difficulty finding qualified candidates. Response: Confirms relevance of Activities 1.1.1–1.1.2. - Input: Discussion on inclusion strategies emphasized targeting infrastructure investments in schools across the three regions located in municipalities with higher shares of vulnerable and Roma populations, as well as integrated schools with higher shares of students with disabilities. Response: Integrated under selection criteria for the project's geographic focus (see Activities 2.1.1–2.1.2). - Input: Preference expressed for a more holistic approach to infrastructure retrofits that goes beyond climate measures alone — addressing basic infrastructure gaps (e.g., electricity, lighting), space imbalances (overcrowding in some schools versus

underused space in others), and safety considerations, particularly seismic risk. Response: Integrated under selection criteria for infrastructure works (see more under Activities 2.1.1–2.1.2). - Input: The ongoing EIB/UNOPS/UNICEF School Infrastructure Assessment was highlighted as a valuable evidence base for further analysis. Response: Referenced in Section D and confirmed to inform the hazard mapping planned under Activities 2.1.1–2.1.2.	
Participants (47% Male; 53% Female)	
Name	Role, Organization
Dragan Markovic	State Secretary, Ministry of Education Science and Innovation (MoESI)
Ivana Mrvaljević	Head of the Department for the National Qualifications Framework, Directorate for Lifelong Learning, MoESI
Mladenka Peric	MoESI, Former director of a primary school in Ulcinj
Martin Prenkocaj	Independent Advisor, Directorate for Education of Members of the Minority Peoples, MoESI
Milos Trivic	Director, Examination Centre of Montenegro
Mladen Perazic	Head of Education Department, Chamber of Economy of Montenegro
Slavica Radevic	Director, Primary School Jugoslavija, Bar
Ivana Kurtovic	Director, Primary school Milan Srzentic, Petrovac (Budva)
Lidija Spasovic	Physics Professor, Gymnasium, Panto Malisic, Berane
Noica Gacevic	Primary School Stampar Makarije, Podgorica
Borko Klačar	Director Primary School, Ristan Pavlovic
Boris Anđelić	Psychologist, Primary School, Ristan Pavlovic, Pljevlja
Bogić Gligorović	Director, Primary School Sutjeska, Podgorica
Maja Kovacevic	Education Officer, UNICEF
Steva Stanisic	Planning and Monitoring officer, UNICEF
Dragutin Scekcic	Education Consultant, Independent
Nathalie Lahire	Senior Economist, World Bank
Laura Reznikova	Analyst, World Bank
Dragana Varezic	Senior Program Assistant, World Bank

During the development of the full project proposal, these initial consultations will be complemented by a full-scale, comprehensive, gender-responsive consultative process, further amplifying its reach, depth and inclusiveness.

I. Provide justification for funding requested, focusing on the full cost of adaptation reasoning.

The requested funding is essential to cover the cost of supporting the climate resilience of Montenegro's education and training system and broader community. This investment is justified by the comprehensive approach the project takes to strengthen climate resilience through multiple interconnected components.

No co-financing is foreseen for this AF project, which will be able to deliver effectively on its outcomes by itself.

Baseline scenario (without Adaptation Fund resources)

Without the requested investment, Montenegro's education system and communities will remain highly vulnerable to climate-related disruptions. Skills gaps across priority adaptation sectors will widen as outdated training facilities and lack of research investment leave professionals ill-equipped for climate-smart practices, raising long-term recovery and adaptation costs.

Schools remain insufficiently equipped to withstand climate shocks, threatening student

safety and continuity of education—with disadvantaged students, already at higher risk of falling behind, disproportionately affected. Below-EU pre-school enrolment and limited early-learning space will also persist without expanded, climate-resilient facilities.

Gaps in students' environmental awareness and below-OECD-average curricular coverage of climate change will leave students without the knowledge needed to address climate challenges, while the absence of hands-on, student-led adaptation projects will limit practical application and community benefit.

Insufficient investment in teacher and principal capacity will compound these gaps: curriculum flexibility for adaptation content will go underused, and without targeted CPD, teachers will struggle to integrate climate knowledge or collaborate. Montenegrin students already score well below OECD averages in mathematics, reading, and science, so without strengthened teaching of foundational skills, returns on adaptation investment will be diminished; without digital skills training, teachers and students will also remain unprepared for climate-driven shifts to virtual learning. Without CPD for principals, schools will lack leadership for risk planning and emergency response, compromising safety and sustainability.

Finally, without structured knowledge-sharing and technical assistance, implementation insights will go undocumented and scaling of successful interventions will be inefficient—leaving Montenegro ill-prepared for increasing climate impacts.

Additionality (with Adaptation Fund resources)

With the requested investment, Montenegro's resilience to climate disruptions will be significantly strengthened. Modernizing education and training across priority adaptation sectors, with industry-aligned program design, will close skills gaps and build a capable workforce, while investment in research and higher education could position Montenegro as a regional knowledge hub for climate-resilient practices.

Retrofitting schools with climate-resilient infrastructure will safeguard facilities and ensure continuity of education, particularly for disadvantaged students, while repurposing schools for climate-resilient pre-school spaces will expand early-learning capacity. Integrating adaptation themes into the curriculum through gender-responsive learning materials, combined with hands-on, community-connected learning activities, will build students' awareness and critical thinking in an action-oriented learning environment. Embedding climate education into teacher CPD, supported by a "climate resilience network" for collaboration and knowledge-sharing, will strengthen teachers' capacity to integrate adaptation content locally. Complementary CPD in literacy, numeracy, and digital skills will boost core student competencies and better prepare schools for climate-driven disruptions. Tailored professional development for principals will similarly strengthen leadership on risk planning, emergency response, and institutional resilience.

Systematic documentation of project successes will enable replication and scaling of effective approaches, while targeted technical assistance will build lasting national capacity to sustain climate resilience in education well beyond the project's duration—supporting a more resilient and sustainable future for Montenegro.

J. Describe how the sustainability of the project/programme outcomes has been taken into account when designing the project/programme.

The sustainability of the project outcomes has been carefully considered to ensure long-term impact beyond the project's completion. While steps to ensure social sustainability of the project have been demonstrated in Section B above, the sections below elaborate on additional sustainability aspects.

First, the project will upgrade school infrastructure to strengthen its climate-resilience, which aims to reduce schools' long-term operational resource needs while ensuring that educational services can continue uninterrupted during future extreme weather events. By prioritizing sustainable building materials and energy-efficient technologies, the project will minimize environmental impacts and promote resource efficiency. At the same time, from the perspective of market and supply-chain sustainability, project procurement will be open to local contractors, thus enabling local sourcing, and where needed will build contractor capacity (e.g. in cases of insufficient number of qualified bids for civil works), especially among SMEs. Where needed, contractor capacity-building will be financed together with infrastructure works under Component 2.

Second, the project supports streamlining of adaptation content into the learning process. By developing learning materials that help strengthen students' knowledge and skills in these areas, the project cultivates a critical mass of informed and proactive individuals who can contribute to climate resilience and adaptation efforts, fostering a lasting positive impact on Montenegro's climate resilience beyond the project's conclusion. Sustainability will be further supported by ensuring that learning materials are made available through national education channels, including existing digital platforms and repositories, so that teachers and schools can continue using and adapting them after project completion.

Third, the project foresees educators' capacity-building through a refreshed offer of CPD programs for teachers, supporting them in effectively integrating climate topics into teaching methods. To strengthen sustainability, the training offer will be designed with a view to its integration into the national continuous professional development system, including accreditation or inclusion in the official professional development catalogue, where applicable. The project will also create space for best practice sharing and peer-learning among teachers through a teacher "climate action network". The project activities will thus help embed climate-conscious teaching methods within the education system and build institutional knowledge around effective implementation of such practices, fostering systemic change and benefitting future teacher, and by extension student, cohorts. The Bureau for Education will play a key role in ensuring the sustainability of this network, including by supporting its continued coordination, linking it with the national teacher professional development system, and facilitating ongoing knowledge exchange among teachers and schools. In addition, by building capacity of school principals to assess vulnerabilities, implement preparedness measures, and foster a culture of resilience, schools will be better positioned to maintain and scale adaptation efforts after the project ends. With respect to the new or refreshed training developed under Component 1, this will be integrated into the Montenegrin Qualifications Framework

(MQF), creating sustainable certification pathways.

Fourth, this project will capture lessons from implementation and inform future action. By preparing a targeted scale-up roadmap, it will support the replication and scaling of effective practices, extending the project's impact beyond its initial scope. Simultaneously, targeted technical assistance will enhance the Executing Entity's institutional and project management capacity, equipping MoESI to lead and scale-up climate resilience efforts across the education and training sector beyond the project's conclusion.

Fifth, the project will support behavioral and community sustainability by creating incentives to embed new practices within schools, households, and local communities. Parental engagement will be fostered through activities dedicated to building climate resilient behaviors among youth, drawing on evidence showing that children play an important role in improving climate mindsets of their parents (Sabarwal et al., 2024). For example, in U.S., providing middle-school children with climate education led to higher levels of climate change concern among parents (Lawson et al., 2019). Parents will also be engaged through parental councils in the co-design of student projects, promotion of student-led showcases, and participation in the concluding conference to discuss findings and help disseminate them further. At the school level, new practices will be sustained through the training of school principals, who will be equipped to integrate climate-relevant approaches into everyday school operations and to proactively identify engagement opportunities on climate adaptation with the wider community. Further, community representatives will be involved directly in the design of the student-led activities, helping to anchor local ownership and ensuring that these practices are not perceived as externally imposed, but as genuinely community-driven initiatives.

Finally, given the alignment with national policy priorities of Montenegro (e.g. the CCAP, Education Reform Strategy 2025-2035, etc.), the project is expected to benefit from long-term government commitment and institutional sustainability. The financial sustainability of the project will ultimately be determined by the Government of Montenegro and MoESI. Depending on fiscal capacity, recurrent costs associated with project activities (training refreshers, operation and maintenance of upgraded infrastructure and installations, etc.) as well as scale-up costs (e.g. additional infrastructure retrofits, rounds of research grants, student-led projects, etc.) may be integrated into existing national budget lines and annual planning processes, or channeled through Montenegro's national funds (e.g., the Innovation Fund, the Energy Efficiency Fund, among others), as feasible. National authorities will be encouraged to carefully consider these financing options during the preparation of the scale-up roadmap, which will help ensure that financial sustainability considerations are systematically addressed going forward.

K. Provide an overview of the environmental and social impacts and risks identified as being relevant to the project/programme.

The results of an initial environmental and social screening classify the project as a Category B project, as the screening has identified adverse environmental or social impacts that are fewer in number, smaller in scale and less widespread than for Category A projects or are reversible or easily mitigated. Overall, the project entails low to moderate

risks (Table 9), which can be easily avoided or minimized through standard mitigation measures, which will be undertaken in accordance with the Adaptation Fund ESP and GP. An Environmental and Social Management Plan (ESMP), as required by the Fund's ESP, will be prepared at full proposal stage. As the Implementing Entity, the World Bank will also apply its Environmental and Social Framework (ESF), providing an additional layer of due diligence through additional screening and E&S instruments, as needed.

Table 9: E&S risk screening

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
<i>Compliance with the Law</i>		Low risk: While the project will ensure full compliance with all applicable domestic and international law and regulations which have been duly identified (see list of relevant regulations in Section D) and may be further complemented during the development of the full project proposal, the project is classified as requiring further assessment and management here as this principle always applies, as per the Adaptation Fund's ESP.
<i>Access and Equity</i>		Low/moderate risk: The projects will not impede access to basic services, including for health, clean water and sanitation, energy, and education, and it will not exacerbate existing inequities, particularly with respect to marginalized or vulnerable groups. However, there is a low/moderate risk of vulnerable and disadvantaged groups (e.g. socio-economically disadvantaged populations, individuals with disabilities, etc.) being excluded from access to the project benefits. To mitigate such risks, such considerations were explicitly accounted for during the project design (see Section B). During implementation, active stakeholder involvement will be central to the project, as per a comprehensive Stakeholder Engagement Plan (SEP) to be developed at the full proposal stage. The SEP will also include a Grievance Redress Mechanism (GRM), establishing a robust system for collecting feedback and grievances from the community and helping ensure that any concerns are promptly addressed. Feedback will be systematically tracked, responded to, and the loop closed by informing complainants of the outcomes and actions taken.
<i>Marginalized and Vulnerable Groups</i>		Low/moderate risk: There is a low/moderate risk of adverse impacts on marginalized and vulnerable groups (e.g. women, disabled individuals, etc.), mostly due to the risk of the project design and implementation not sufficiently accounting for their specific needs. To mitigate this risk, the needs of marginalized and vulnerable groups have been discussed during the initial stakeholder consultations and incorporated into project design. During implementation, strict enforcement of gender and social inclusion policies will thus be implemented to prevent discrimination and exclusion, in particular for students with disabilities at school renovation stage. Special attention will be given to marginalized groups to ensure they fully benefit from project activities, and their involvement during project implementation will be ensured, including by creating accessible channels for involvement and provision of feedback and grievances under the SEP and GRM.
<i>Human Rights</i>		Low risk: While the project will ensure full respect for human rights through all its phases, it is classified as requiring further assessment and management here as this principle always applies, as per the Adaptation Fund's ESP.
<i>Gender Equality and Women's Empowerment</i>		Low risk: As the project concerns the education sector, in which the labor force is heavily female dominated, there is a risk that women may not be able to fully benefit from project activities unless their specific needs are considered during the project preparation stage. Equally, there is a risk of low engagement of boys in the adaptation-related student-led projects, as boys tend to exhibit lower levels of environmental awareness (see the Context section above). To mitigate these risks, a number of measures (e.g. flexible teacher training modalities to accommodate care-giving responsibilities, gender-responsive design of student-led projects, etc.) have been incorporated into the project design (see Initial Gender Analysis in Section B). At full proposal stage, a more detailed Gender Assessment and a Gender Action Plan will be prepared to support continuous compliance with the principle.

Core Labour Rights		Low/moderate risk: Given that the project will involve civil works delivered by local companies to be hired by the Executing Entity, minor labor risks, mostly concerning occupational health and safety issues are expected. To mitigate these risks, relevant E&S instruments required under the World Bank's ESF will be developed where needed in addition to the Fund's required ESMP. Occupational health & safety provisions will be integrated into the instruments to address identification of potential hazards to Contractors, provision of preventive and protective measures and enabling adequate emergency prevention and preparedness and response arrangements to emergency situations. To prevent risks related to Sexual Exploitation and Abuse and Sexual Harassment during small construction works, the project will implement targeted preventive measures such as awareness-raising sessions for workers and community members, a clear code of conduct, and confidential reporting mechanisms. All contractors and subcontractors will be required to comply with these measures as part of their contracts.
Indigenous Peoples	X	No risk: This principle is not applicable to the context of Montenegro.
Involuntary Resettlement	X	No risk: No permanent or temporary land acquisition or asset loss is expected, as infrastructure interventions will not involve new construction.
Protection of Natural Habitats	X	No risk: The project will have no impact on Montenegro's legally protected natural habitats, those officially proposed for protection, recognized by authoritative sources for their high conservation value, or recognized as protected by traditional or indigenous local communities.
Conservation of Biological Diversity		Low/moderate risk: Impacts on the conservation of biological diversity are expected to be low to moderate. Even so, the E&S instruments required under the ESF, as well as the ESMP required by the Fund, will include measures to ensure that these risks, although limited, are identified and that appropriate mitigation actions are defined. The nature-based solutions planned under the project, such as planting trees near schools, will also be covered, to ensure that only local, non-invasive species are used.
Climate Change	X	No risk: The project will not result in any significant or unjustified increase in greenhouse gas emissions or other drivers of climate change.
Pollution Prevention and Resource Efficiency		Low/moderate risk: There is a low to moderate risk associated with the activities under Component 2, which involve upgrades to existing school facilities and will generate some construction waste and dust during implementation. To manage these risks, the ESMP required by the Fund, and where needed E&S instruments required under the ESF, will be prepared. The instruments will cover measures to ensure minimization of waste generation, and enable reuse, recycle and waste recovery to extend possible and in a manner that is safe for human health and the environment. Prior to any school renovation, thorough site evaluations will be conducted to ensure responsible land use, resource availability, and environmental sustainability. The use of eco-friendly building materials and energy-efficient technologies will minimize environmental impacts while enhancing long-term resilience.
Public Health	X	No risk: No adverse impact on public health is envisaged.
Physical and Cultural Heritage	X	No risk: No adverse impact on physical and cultural heritage is envisaged.
Lands and Soil Conservation	X	No risk: No adverse impact on land and social conservation is envisaged.

PART III: IMPLEMENTATION ARRANGEMENTS

A. Demonstrate how the project/programme aligns with the Results Framework of the Adaptation Fund

Project Objective(s) ¹	Project Objective Indicator(s)	Fund Outcome	Fund Outcome Indicator	Grant Amount (USD)
Strengthen Montenegro's adaptive capacity to climate hazards through	Number of individuals benefitting from enhanced education and training for greater	Outcome 3: Strengthened awareness and ownership of	3.1. Percentage of targeted population aware of predicted	810,000

enhanced human capital	adaptive capacity and ability to implement climate projects	adaptation and climate risk reduction processes at local level	adverse impacts of climate change, and of appropriate responses	
	Number of education and training facilities refurbished, repurposed or upgraded for greater climate resilience	Outcome 4: Increased adaptive capacity within relevant development sector services and infrastructure assets	4.2. Physical infrastructure improved to withstand climate change and variability-induced stress	11,300,000
	Number of innovations, studies, events and tools for knowledge-generation and peer-learning on climate resilience supported or delivered	Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies	8. Innovative adaptation practices are rolled out, scaled up, encouraged and/or accelerated at regional, national and/or subnational level	401,521
Project Outcome(s)	Project Outcome Indicator(s)	Fund Output	Fund Output Indicator	Grant Amount (USD)
Outcome 1.1: Strengthened workforce skills and adaptive capacity in the priority sectors	Number of individuals trained via improved/expanded learning offer in the priority adaptation sectors	Output 3.1: Targeted population groups participating in adaptation and risk reduction awareness activities	3.1. Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses	810,000
Outcome 2.2: Strengthened climate awareness, agency, and adaptive behaviors among youth	Number of students and teachers with access to improved learning and teaching materials integrating climate themes			
	Number of students engaged in hands-on learning activities on climate adaptation			

	Number of teachers and school principals trained on climate adaptation			
Outcome 3.1. Enhanced institutional capacity for effective implementation and replication of climate resilience interventions in the education and skills sector	Number of MoESI staff trained via targeted capacity-building			
Outcome 1.2: Improved learning spaces for applied development of climate skills and innovations	Number of learning spaces upgraded to facilitate applied development of climate skills and innovations	Output 4: Vulnerable development sector services and infrastructure assets strengthened in response to climate change impacts, including variability	4.1.2. No. of physical assets strengthened or constructed to withstand conditions resulting from climate variability and change (by sector and scale)	11,300,000
Outcome 2.1. Bolstered capacity of education infrastructure to withstand and adapt to climate impacts	Number of schools refurbished or repurposed for greater resilience to climate impacts			
Outcome 1.3. Increased capacity of the education system for climate innovation and knowledge generation	Number of innovations and studies on climate resilience in priority sectors supported	Output 8: Viable innovations are rolled out, scaled up, encouraged and/or accelerated.	8.1. No. of innovative adaptation practices, tools and technologies accelerated, scaled-up and/or replicated	401,521
Outcome 3.2. Enhanced opportunities for national and international knowledge dissemination and exchange on building climate resilience through education and skills	Number of events and tools for climate adaptation knowledge dissemination and peer-exchange delivered			

¹ The AF utilized OECD/DAC terminology for its results framework. Project proponents may use different terminology but the overall principle should still apply

PART IV: ENDORSEMENT BY GOVERNMENT AND CERTIFICATION BY THE IMPLEMENTING ENTITY

A. Record of endorsement on behalf of the government²

Provide the name and position of the government official and indicate date of endorsement. If this is a regional project/programme, list the endorsing officials all the participating countries. The endorsement letter(s) should be attached as an annex to the project/programme proposal. Please attach the endorsement letter(s) with this template; add as many participating governments if a regional project/programme:

Dr. Zoran Dabetic, Secretary of State, NDA for the Adaptation Fund, Ministry of Ecology, Sustainable Development and Northern Region Development	Date: March 13, 2026
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B. Implementing Entity certification *Provide the name and signature of the Implementing Entity Coordinator and the date of signature. Provide also the project/programme contact person's name, telephone number and email address*

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing National Development and Adaptation Plans (.....list here.....) and subject to the approval by the Adaptation Fund Board, <u>commit to implementing the project/programme in compliance with the Environmental and Social Policy and the Gender Policy of the Adaptation Fund</u> and on the understanding that the Implementing Entity will be fully (legally and financially) responsible for the implementation of this project/programme.

⁶. Each Party shall designate and communicate to the secretariat the authority that will endorse on behalf of the national government the projects and programmes proposed by the implementing entities



Montenegro
Ministry of Ecology, Sustainable Development and
Northern Region Development

Address: Cetinjski put bb,
81000 Podgorica,
Montenegro



ADAPTATION FUND

Reference number: 022.011/26-1079/1
Podgorica, 13 March 2026

The Adaptation Fund Board
c/o Adaptation Fund Board Secretariat
Email: Secretariat@Adaptation-Fund.org
Fax: 202 522 3240/5

Subject: Endorsement for "Skills for climate-resilient futures" Project

In my capacity as designated authority for the Adaptation Fund in Montenegro, I confirm that the above national project proposal is in accordance with the government's national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in Montenegro.

Accordingly, I am pleased to endorse the above project proposal with support from the Adaptation Fund. If approved, the project will be implemented by the World Bank and executed by the Ministry of Education, Science and Innovation of Montenegro.

Sincerely,

Dr Zoran Dabetić
Secretary of State
NDA for Adaptation fund
Ministry of Ecology, Sustainable Development and Northern Region Development

Name & Signature	
	
Zhihong Zhang	
Implementing Entity Coordinator	
Date: July 20, 2026	Tel. and email: zzhang2@worldbank.org +12024739852
Project Contact Person: Nathalie Lahire, Senior Economist, World Bank	
Tel. And Email: +12022803235, nlahire@worldbank.org	



Revised PFG Submission Form¹ (additions in red)

Project Formulation Grant (PFG)

Submission Date: 16 July 2026

Adaptation Fund Project ID:

Country/ies: Montenegro

Title of Project/Programme: Skills for climate-resilient futures

Type of IE (NIE/RIE/MIE): Multilateral Implementing Entity (MIE)

Implementing Entity: World Bank

Executing Entity/ies: The Project Formulation Grant will be executed by the World Bank.

A. Project Preparation Timeframe

Start date of PFG	Upon concept note approval
Completion date of PFG	Within 10 months since concept note approval

B. Proposed Project Preparation Activities (\$)

List of Proposed Project Preparation Activities	Output of the PFG Activities	US\$ Amount	Budget note²
Develop the full project proposal	Full project proposal	22,000 USD	Short/extended-term consultants to support the elaboration of the full project proposal; including by undertaking specific analyses (policy/data); identifying relevant indicators; detailing oversight, coordination, financial and other arrangements required for implementation; supporting the

¹ As presented in AFB/PPRC.33/40 Annex 1.

² The proposal should include a detailed budget with budget notes indicating the break-down of costs at the activity level. It should also include a budget on the Implementing Entity management fee use.

			development of the M&E framework, etc.
Prepare Environmental, Social and Gender instruments and safeguards, incl. for USPs	Environmental and Social Management Plan (ESMP), Gender Assessment, Gender Action Plan, Stakeholder Engagement Plan, etc.	20,000 USD	Short/extended-term consultants to support the preparation of relevant E&S and gender instruments and safeguards
Identify education institutions and investment needs for climate-resilient infrastructure retrofitting or equipment upgrading	Hazard mapping to select target schools for climate-resilient retrofitting and respective investment needs; Needs and readiness assessment to select VET/HE institutions for upgrading of workshops/labs and respective investment needs	75,000 USD	Specialized technical expertise (firm contracts and/or short/extended-term consultants) to help identify target education facilities and investment needs under Components 1 (Act. 1.2.1.) and 2 (Act. 2.1.1.-2.1.2.)
Undertake stakeholder consultations	Stakeholder input into the project proposal	10,000 USD	In-person stakeholder consultations with interpretation
Undertake travel during full proposal development	Input into the project proposal	10,250 USD	Travel costs required during project preparation, including within-country travel
Total project formulation grant without IE fee		137, 250 USD	Total PFG allocation for proposal preparation excluding the 8.5% IE fee
Implementing Entity (IE) Fee (8.5%)		12,750 USD	IE fee based on 8.5% of total PFG
Total Project Formulation Grant		150,000 USD	Total PFG budget inclusive of IE fee

Please describe below each of the PFG activities and provide justifications for their need and for the amount of funding required: Please see details in Table B above.

For LLA Projects only:

If requesting additional funding for LLA projects to enable devolving decision making to the local level, please specify the activities that would directly serve to enable devolving decision making to the lowest

appropriate level and enable local actors to make informed decisions on how adaptation actions are defined, prioritized, designed, and implemented:

Please provide justifications for their need and for the amount of additional funding required:

C. Implementing Entity

This request has been prepared in accordance with the Adaptation Fund Board's procedures and meets the Adaptation Fund's criteria for project identification and formulation

Implementing Entity Coordinator, IE Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Zhihong Zhang, World Bank Group		July 20, 2026	Nathalie Lahire	+12022803235	nlahire@worldbank.org