

GEF-8 REQUEST FOR Climate Change enabling activity

Proposal for Funding Under the GET
Processing Type: Expedite

TABLE OF CONTENTS

SECTION 1: ENABLING ACTIVITY SUMMARY	3
A. Funding Elements	4
B. Enabling Activity Summary	5
ENABLING ACTIVITY COMPONENTS	6
SECTION 2: ENABLING ACTIVITY SUPPORTING INFORMATION	8
C. Eligibility Criteria	8
D. Institutional Framework	9
E. Monitoring and Evaluation Plan	12
SECTION 3: INFORMATION TABLES.....	13
F. GEF Financing Resources Requested by Agency, Country and Programming of Funds.....	13
G. Rio Markers.....	13
H. Record of Endorsement of GEF Operational Focal Point(s) on Behalf of the Government(s):	13
ANNEX A: RESPONSES TO STAKEHOLDER COMMENTS	13
ANNEX B: PROJECT BUDGET TABLE	13
ANNEX C: ENVIRONMENTAL AND SOCIAL SAFEGUARDS.....	14

SECTION 1: ENABLING ACTIVITY SUMMARY

Enabling Activity Title

Enabling China to Prepare Its First Biennial Transparency Reports on Climate Change under UNFCCC

Country(ies)

GEF Enabling Activity ID

China

GEF Agency(ies):

GEF Agency Enabling Activity ID

UNDP

6399

Submission Date

Expected Implementation Start

9/1/2023

Project Executing Entity(s):

Executing Partner Type

Ministry of Ecology and Environment (MEE)

Government

GEF Focal Area (s)

Expected Duration (In Months)

Climate Change

36

Type of Report(s)

Expected Report Submission to Convention

A. Funding Elements

GEF-8 Program	Trust Fund	GEF Financing (\$)
CCM-EA	GET	250,000.00
Total Enabling Activity Cost		250,000.00

Does the enabling activity deviate from typical cost ranges? Yes No

If yes, please describe

B. Enabling Activity Summary

Enabling Activity Objective

To assist the Government of China in the preparation and submission of its First Biennial Transparency Report (1BTR) for the fulfillment of the obligations under the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement (PA)

Enabling Activity Summary

The GEF Secretariat issued the information note [GEF/C.62/Inf.15](#) as part of its 62nd GEF Council Meeting Agenda. Countries can access additional (top-up) financing of up to \$250,000 to an ongoing enabling activity (EA) project. This option is only intended to be used for the first BTR, and it is available for countries that, as of January 1, 2023, have an ongoing BUR or NC. China will employ the top-up modality (also known as Modality 3) to provide additional resources to their ongoing EA *'Enabling China to Prepare Its Fourth National Communication and Third and Fourth Biennial Update Reports on Climate Change'* project (GEF ID: 10707).

This project is prepared in line with the GEF-8 Climate Change (CC Set-aside) Focal Area Strategy and Associated Programming/Pillar II: Foster enabling conditions to mainstream mitigation concerns into sustainable development strategies/Objective 2.2 Support relevant Convention obligations and enabling activities; and following goals and objectives:

Project Development Objective:

"The project will strengthen technical and institutional capacity to assist china in mainstreaming climate change concerns into sectoral and national development priorities and to enable the Entity and State Level Governments to respond to international environmental obligations by strengthening and giving continuity to the institutional and technical capacity development that has been initiated and sustained by the National Communications and Biennial Update Reports processes to date."

Project Immediate Objective:

"The project will enable China to prepare and submit its First Biennial Transparency Report (1BTR) to meet its reporting obligations under the UNFCCC and the Paris Agreement in line with the Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement (Decision 18/CMA.1¹) and the guidance on operationalizing the MPGs as per [Decision 5/CMA.3](#)".

Climate change is an urgent and growing threat to human and natural systems. Since the Paris Agreement was adopted in 2015, governments and non-state actors have mobilized to implement it through stronger and more ambitious climate action. The Article 13 of the Paris Agreement establishes an Enhanced Transparency Framework (ETF) for action and support designed to build trust and confidence that all countries are contributing their share to the global effort. By tracking and reporting on the progress and implementation challenges of their climate pledges, countries will have the necessary information to strengthen their ambition in the future and identify new priority areas for action, along with the resources needed to ensure that each Nationally Determined Contribution (NDC) cycle builds on the previous one. Importantly, outputs from the reporting and review process under the ETF will be considered at a collective level and provide an important source of information for the Global Stocktake (GST) leading to a stronger climate action that will continue as the climate regimes move towards the goal of zero net emissions by 2050 and climate neutrality thereafter.

The new transparency system under the Paris Agreement builds on and enhances the existing systems under the Convention. NCs, BURs and International Consultation and Analysis (ICA) have formed a part of the experience drawn upon and contributed to the improvements of capacity constraints and continuous capacity-building and expertise in advance of the ETF. The new reporting guidelines constitute noticeable enhancement for developing country Parties in terms of frequency, scope and depth of reporting. There is a widespread recognition that developing country Parties will need support to help them apply the new guidelines.

The CMA decided that Parties shall submit their first BTR and national inventory report, if submitted as a stand-alone report, in accordance with the adopted modalities, procedures and guidelines, at the latest by 31 December 2024 and that LDCs

and SIDS may submit this information at their discretion. The Modalities, Procedures, and Guidelines (MPGs) were adopted in the Katowice Climate Package through the Decision 18/CMA.1 sets the rules for the implementation of the ETF under the Paris Agreement. At the COP26, the 'Paris Agreement rulebook'/MPGs was finalized. This set of rules lays out how countries are held accountable for delivering on their climate action promises and self-set targets under their NDCs and enable the operationalization of the enhanced transparency framework. (Decision 5/CMA.3: Guidance for operationalizing the modalities, procedures and guidelines for the enhanced transparency framework referred to in Article 13 of the Paris Agreement.).

The preparation of the 1BTR with the financial assistance of the GEF will serve to further strengthen institutional and technical capacities of China for implementing the Convention, Paris Agreement and reporting thereon to the UNFCCC. The project will provide the platform for furthering the development and implementation of the Measurement, Reporting, and Verification (MRV) systems for tracking emissions, mitigation, adaptation and support within the Enhanced Transparency Framework of the PA.

The project objectives will be achieved through the outcomes and outputs as defined in the Project Framework table (Enabling Activity Components/Outcomes/Outputs) presented in the final part of this section.

[1] CMA: The Conference of the Parties, the supreme body of the Convention, shall serve as the meeting of the Parties to the Paris Agreement. All States that are Parties to the Paris Agreement are represented at the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA), while States that are not Parties participate as observers. The CMA oversees the implementation of the Paris Agreement and takes decisions to promote its effective implementation (source: UNFCCC, <https://unfccc.int/process/bodies/supreme-bodies/conference-of-the-parties-serving-as-the-meeting-of-the-parties-to-the-paris-agreement-cma>).

ENABLING ACTIVITY COMPONENTS

1. Development of the China's First Biennial Transparency Report (1BTR)

GEF Enabling Activity Financing (\$): 208,000.00

Outcome:

1.1 China's 1BTR developed as a stand-alone report

Output:

1.1.1 National inventory report of anthropogenic emissions by sources and removals by sinks of greenhouse gases

1.1.2 Information necessary to track progress made in implementing and achieving nationally determined contributions under Article 4 of the Paris Agreement

1.1.3 Information related to climate change impacts and adaptation under Article 7 of the Paris Agreement

1.1.4 Information on financial, technology development and transfer and capacity-building support needed and received under Articles 9-11 of the Paris Agreement

1.1.5 Areas of improvement and other relevant information, including gender described

2. Compilation and submission of the 1BTR report.

GEF Enabling Activity Financing (\$): 20,000.00

Outcome:

2.1 China's 1BTR compiled, adopted by the Government and submitted to UNFCCC.

Output:

2.1.1 1BTR compiled, adopted in transparent and participatory process and submitted to UNFCCC by December 2024

M&E

GEF Enabling Activity Financing (\$):

Outcome:

Output:

Component Balances

Project Components	GEF Enabling Activity Financing (\$)
1. Development of the China's First Biennial Transparency Report (1BTR)	208,000.00
2. Compilation and submission of the 1BTR report.	20,000.00
M&E	
Subtotal	228,000.00
Project Management Cost	22,000.00
Total Enabling Activity Cost	250,000.00

Please provide justification

SECTION 2: ENABLING ACTIVITY SUPPORTING INFORMATION

C. Eligibility Criteria

Please provide eligibility information for this enabling activity.

China ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1992, Kyoto Protocol in 2002 and the Paris Agreement in 2016. As Party to the Convention, China has the obligation to implement decisions of the Conference of the Parties (COP) regarding the implementation of policies and measures to adapt to, and mitigate climate change, thereby contributing to the attainment of the objective of the Convention.

So far, China has prepared and submitted 3 [National Communications](#) (NCs): the Initial National Communication (NC1) in 2004; the Second National Communication (NC2) in 2012; the Third National Communication (NC3) in 2019 as mandated by articles 4 and 12 of the Convention.

China has also prepared and submitted 2 [Biennial Update Reports](#) (BURs): First Biennial Update Report (BUR1) in 2017; the Second Biennial Update Report (BUR2) in 2019.

The preparation process of NC and BUR reports has led to the following achievements: Through efforts in the past decade, a fixed management agency, stable experts' team and project-based working mechanism for preparing implementation reports such as NCs, as well as the database of national GHG inventories and related information, have been set up. Meanwhile, China has also set up a primary statistical system for addressing climate change.

China submitted its Intended [Nationally Determined Contribution \(INDC\)](#) in June 2015 to conform with decisions 1/CP.19 and 1/CP.20 of the COP. China submitted its [revised NDC](#) in October 2021 with the aims to have CO₂ emissions peak before 2030 and achieve carbon neutrality before 2060; to lower CO₂ emissions per unit of GDP by over 65% from the 2005 level, to increase the share of non-fossil fuels in primary energy consumption to around 25%, to increase the forest stock volume by 6 billion cubic meters from the 2005 level, and to bring its total installed capacity of wind and solar power to over 1.2 billion kilowatts by 2030.

1) Eligible country. China is the Non-Annex I country to UNFCCC and Paris Agreement. According to the Paris Agreement and the modalities, procedures and guidelines of the enhanced transparency framework under the Paris Agreement, all parties shall submit the 1st BTR no later than 2024, and support shall be provided for the building of transparency-related capacity of developing Parties on a continuous basis. China is willing to submit its 1st BTR in 2024, but still need support for developing the 1st BTR.

2) National priority. China's overall development objectives include steadily lowering carbon emissions after reaching a peak. The 1BTR project, which is driven by China's government, is consistent with national priorities that support sustainable, green, circular and low-carbon development.

3) GEF priorities. To achieve the objectives of UNFCCC, the 1BTR project aims at tackling climate change in an integrated manner. Under the support of the 1BTR project, China will work with all parties to actively participate in the global governance of climate change, promote a fair and rational global climate governance system for win-win results, continue to deepen South-South cooperation on climate change, and contribute China's strength and solutions to global climate change response.

4) Financing. China upholds multilateralism and the principle of common but differentiated responsibilities and respective capabilities. The 1BTR project seeks GEF financing for enhancing the capacity of reporting the progress in making the world's biggest cut in carbon emission intensity, moving from carbon peak to carbon neutrality in the shortest time frame in history. China will employ the top-up modality to provide additional resource to the ongoing 4NC project (PIMS 6399).

5) Participation. The project would involve the public, such as industry associations, private enterprises and representatives of civil groups, in project design and implementation, following the Policy on Public Involvement in GEF- Financed Projects and the respective guidelines. This would promote much more attention and raise awareness towards China's climate change issue.

D. Institutional Framework

Describe the institutional arrangements for implementation of the enabling activity.

The China's 1st BTR project will be incorporated into the ongoing 4NC project and implemented by the Ministry of Ecology and Environment (MEE). The institutional Framework will be same as the 4NC project.

MEE will make full use of the foundation of previous NC capacity building projects to set up an inter-departmental project steering committee, headed by MEE, with the participation of National Development and Reform Commission, Ministry of Foreign Affairs, Ministry of Science and Technology, Ministry of Finance, China Meteorological Administration, and other relevant departments, to ensure that project activities and outputs in line with the design. Ministry of Finance will represent the Chinese government in receiving GEF grants and will be a member of the project steering Committee, playing a key role in directing, coordinating and monitoring the disbursement and expenditure of GEF grants, performance evaluation, summary and promotion of project results. China Meteorological Administration will provide a climate prediction system that combines statistical methods with dynamic climate models to make qualitative and quantitative assessments of climate impacts on agriculture, water resources, transport, energy, the ecological environment and human health.

MEE will set up a project office, which will be responsible for daily project management and archiving of the project to ensure that the project is implemented in accordance with the relevant financial requirements of UNDP and China.

In order to promote the compilation of the implementation report and GHG inventory, MEE will, together with National Development and Reform Commission, Ministry of Foreign Affairs, Ministry of Science and Technology, Ministry of Finance, Ministry of Agriculture and Rural Affairs, China Meteorological Administration, National Bureau of Statistics and other relevant departments, continue to set up inter-departmental working groups for the preparation of compliance reports, which provide overall planning and process guidance for the reports and national greenhouse gas inventories, and provide the basic materials and data for the report in accordance with the division of responsibilities, so as to ensure reports accurately reflect China's work on climate change.

The project will be implemented under the National Implementation (NIM) modality with the MEE as the Executing Entity.

The Executing Entity is responsible for executing this project. Specific tasks include:

- Project planning, coordination, management, monitoring, evaluation and reporting. This includes providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Executing Entity will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
- Overseeing the management of project risks as included in this project document and new risks that may emerge during project implementation.

- Procurement of goods and services, including human resources.
- Financial management, including overseeing financial expenditures against project budgets.
- Approving and signing the multiyear workplan.
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.

The Project Implementation Unit i.e., MEE will be the executing and operational unit that will coordinate and implement the project activities for the preparation of the 1BTR. The Government will provide support to the project through the use of equipment and premises for conference and meetings. Day-to-day management of the project will be assured by the project manager, who will be responsible for setting up the project team, while the national focal point will monitor and verify the project results.

The Project Steering Committee (PSC), also called as the Project Board, will be the highest policy-level body, which will provide support and guidance to the implementation of the project and ensure that the project findings are disseminated to, and validated by, all relevant stakeholders in China. To ensure UNDP's ultimate accountability, PSC decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency, and effective international competition.

The two main (mandatory) roles of the PSC are as follows:

- 1) High-level oversight of the execution of the project by the Executing Entity (as explained in the "Provide Oversight" section of the UNDP POPP). This is the primary function of the project board and includes annual (and as-needed) assessments of any major risks to the project, and decisions/agreements on any management actions or remedial measures to address them effectively. The PSC reviews evidence of project performance based on monitoring, evaluation and reporting, including progress reports, evaluations, risk logs and the combined delivery report. The PSC is responsible for taking corrective action as needed to ensure the project achieves the desired results.
- 2) Approval of strategic project execution decisions of the Executing Entity with a view to assess and manage risks, monitor and ensure the overall achievement of projected results and impacts and ensure long term sustainability of project execution decisions of the Executing Entity (as explained in the "Manage Change" section of the UNDP POPP).

Responsibilities of the Project Steering Committee:

➤ Consensus decision making:

- The PSC provides overall guidance and direction to the project, ensuring it remains within any specified constraints, and providing overall oversight of the project implementation.
- Review project performance based on monitoring, evaluation and reporting, including progress reports, risk logs and the combined delivery report.

The project board is responsible for making management decisions by consensus.

- In order to ensure UNDP's ultimate accountability, the PSC decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition.

- In case consensus cannot be reached within the PSC, the UNDP representative on the PSC will mediate to find consensus and, if this cannot be found, will take the final decision to ensure project implementation is not unduly delayed.

➤ **Oversee project execution:**

- Agree on project manager's tolerances as required, within the parameters outlined in the project document, and provide direction and advice for exceptional situations when the project manager's tolerances are exceeded.
- Appraise annual work plans prepared by the Executing Entity for the Project; review combined delivery reports prior to certification by the Executing Entity.

address any high-level project issues as raised by the project manager and project assurance.

- Advise on major and minor amendments to the project within the parameters set by UNDP and the donor and refer such proposed major and minor amendments to the UNDP BPPS Nature, Climate and Energy Executive Coordinator (and the GEF, as required by GEF policies).
- Provide high-level direction and recommendations to the project management unit to ensure that the agreed deliverables are produced satisfactorily and according to plans.

track and monitor co-financed activities and realisation of co-financing amounts of this project.

- Approve the Inception Report, and if applicable, GEF annual project implementation reports, mid-term review and terminal evaluation reports.
- Ensure commitment of human resources to support project implementation, arbitrating any issues within the project.

➤ **Risk Management:**

- Provide guidance on evolving or materialized project risks and agree on possible mitigation and management actions to address specific risks.
- Review and update the project risk register and associated management plans based on the information prepared by the Executing Entity. This includes risks related that can be directly managed by this project, as well as contextual risks that may affect project delivery or continued UNDP compliance and reputation but are outside of the control of the project. For example, social and environmental risks associated with co-financed activities or activities taking place in the project's area of influence that have implications for the project.

address project-level grievances.

➤ **Coordination:**

ensure coordination between various donor and government-funded projects and programmes.

- Ensure coordination with various government agencies and their participation in project activities.

UNDP is accountable to the GEF for the implementation of this project. This includes overseeing project execution undertaken by the Executing Entity to ensure that the project is being carried out in accordance with UNDP and GEF policies and procedures and the standards and provisions outlined in the Delegation of Authority (DOA) letter for this project. The UNDP GEF Executive Coordinator, in consultation with UNDP Bureaus and the Executing Entity, retains the right to revoke the project DOA, suspend or cancel this GEF project. UNDP is responsible for the Project Assurance function in the project governance structure and presents to the PSC and attends PSC meetings as a non-voting member.

The institutional structure of the project will be based on the existing institutional arrangements. Preparation processes of the 1BTR will be closely coordinated by the UNFCCC National Focal Point in China.

The following thematic working groups will be formed to assist with the preparation of various components of the NC and BTR: (i) National Greenhouse Gas Inventory report in NIR format, (ii) Tracking the progress of NDC implementation and achievement, (iii) Climate Change Impacts and Adaptation, (iv) Support needed and received and other information. Each thematic working group will comprise of a number of experts drawing both from public and private sectors, communities, and NGOs, as appropriate.

E. Monitoring and Evaluation Plan

Describe the budgeted M&E plan.

The budgeted M&E plan of proposed 1st BTR project will make full use of the 4NC M&E plan since the 1st BTR project will be incorporated into the 4NC project and the 1st BTR implementation duration is completely within the 4NC project.

SECTION 3: INFORMATION TABLES

F. GEF Financing Resources Requested by Agency, Country and Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	GEF Enabling Activity Financing (\$)	Agency Fee (\$)	Total (\$)
UNDP	GET	China	Climate Change	CC Set-Aside	250,000.00	23,750.00	273,750.00
Total GEF Resources					250,000.00	23,750.00	273,750.00

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total(\$)
Total GEF Resources					0.00

G. Rio Markers

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Desertification
Principal Objective 2	Significant Objective 1	No Contribution 0	No Contribution 0

H. Record of Endorsement of GEF Operational Focal Point(s) on Behalf of the Government(s):

Please attach the *Operational Focal Point endorsement letter(s)* with this template.

Name	Position	Ministry	Date (MM/DD/YYYY)
Xiang Peng	GEF OFP of China	Ministry of Finance	5/31/2023

ANNEX A: RESPONSES TO STAKEHOLDER COMMENTS

Describe how the enabling activity has addressed comments from stakeholders, including Council Members, Convention Secretariats, and STAP (if applicable).

NA

ANNEX B: PROJECT BUDGET TABLE

Attach the project budget table.

NA

ANNEX C: ENVIRONMENTAL AND SOCIAL SAFEGUARDS

Attached any screening documents or other ESS related documents (if applicable). ESS screening is not required for EAs but should be included if its available.

Check this box is ESS screening is not required per Agency's regulations