

Preparation of India's Fourth National Communication (4NC) and Fourth Biennial Update Report (BUR4) to the UNFCCC and strengthening institutional and analytical capacities on climate change.

Review PIF and Make a recommendation

Basic project information

GEF ID

10493

Countries

India

Project Name

Preparation of India's Fourth National Communication (4NC) and Fourth Biennial Update Report (BUR4) to the UNFCCC and strengthening institutional and analytical capacities on climate change.

Agencies

UNDP

Date received by PM

2/18/2020

Review completed by PM

Program Manager

Milena Vasquez

Focal Area

Climate Change

Project Type

EA

Non- Expedited Enabling Activity req (PIF)

Part 1: Project Information

Focal area elements

Is the enabling activity aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, the project is aligned with the GEF-7 climate change strategy. However, after discussions with the country counterparts (over conference call on 4/3/2020) it has been agreed that the BTR elements of the project will be dropped at this time for future consideration once guidelines on BTR support have been developed by the GEF through either amendment of this project if before endorsement or through a separate project. Therefore, please revise the proposal to remove the references to the BTR preparation including in the title, project objective, and description of project components.

4/10/2020: References to support for the BTR have been removed. Comment cleared.

Agency Response

Response 9 April 2020:

Agree. Reference to BTR in the title, project objective, and description of project components PIF removed.

Project description summary

Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project objectives?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: The components as described in Table B are not entirely clear. Please address the following comments:

1. Component 1: At the moment, this component appears to be too high in resources. Please further breakdown the component to differentiate the resources going towards information on national circumstances and institutional arrangements from those going to the financial, technical and capacity needs and other relevant information .
2. Component 1: Please remove BTR-relevant outputs (i.e. 5, 10).
3. Component 1: Output 4, Progress on national actions to reduce GHG emissions sector wise seems to belong to Component 4. Please clarify.
4. Component 2: Please comment on the timing of the GHG inventory preparation, which remains in a x-4 year cycle, considering the future requirements under the enhanced transparency framework. Considering India's experience over the last three BURs, could this project support India to advance its GHG inventories to a x-2 year cycle in preparation for the BTR?

5. Component 2: Please clarify the potential overlaps and coordination with the CBIT project, which will support ability to report GHG emission inventories as per the IPCC 2006 guidelines.
6. Please remove BTR-relevant output portions.
7. Component 3: Please clarify the potential overlaps and coordination with the CBIT project (output 3.1.2) which will produce climate variability maps and models at sub-national level. Please also comment on the relevance of these district level information for the reporting at the national level to the UNFCCC.
8. Component 3: Please remove BTR-relevant outputs.
9. Component 4: Please clarify the potential overlaps and coordination with the CBIT project, which will support “sectoral/sub-national assessment of financial resource needed to implement the NDCs. Also highlighting specific barriers related to technology needs or any other capacity-building support.”.
10. Component 4: Please clarify on the need to develop additional sectoral TNAs, considering these were developed under the TNC. The idea of TNAs is to inform technology action plans for implementation. These activities also seem to overlap with Component 1. Please clarify.
11. Component 4: Please remove BTR-relevant outputs.
12. Component 4: Considering the number and scope of outputs, this component seems under-resourced compared to others. Please consider adjusting resources between components.
13. Component 5: Please clarify the expected submission date of the fourth NC, considering the 4-year timeline. If the TNC is submitted in 2020, we would expect the fourth NC to be submitted in 2024.
14. Please remove BTR-relevant output portions.

4/10/2020:

Component 1: Component was further broken down and resources were reduced. Comments cleared.

Component 2: Feasibility of carrying out later inventories will be assessed. Potential overlaps with CBIT project have been clarified. Comments cleared.

Component 3: Potential overlaps with CBIT project have been clarified and additional justification for state-level assessments provided. Comments cleared.

Component 4: Budget for this component has been increased. Potential overlaps with CBIT project have been clarified. Scope of TNAs has been clarified. Comments cleared.

Component 5: Comment cleared. We note, however, that this project can be submitted for endorsement as soon as the Third BUR and NC have been submitted to the UNFCCC and therefore could have funding available before June 2021.

Agency Response

Response 9 April 2020

1. Component 1: At the moment, this component appears to be too high in resources. Please further breakdown the component to differentiate the resources going towards information on national circumstances and institutional arrangements from those going to the financial, technical and capacity needs and other relevant information.

Agree. Reviewed component-wise budget and revised as per suggestions. (Ref: Section B). The key changes summarized below:

- Component 1 has now two Outputs related to information on national circumstances with reduced GEF contributions at USD 250,000
- Delineated institutional arrangements as a new Component 2 with separate resource allocation of 300,000
- Component 3 removes reference to BTR 1 and Component 3 includes and adoption of higher tier estimation as per the BUR 2 ICA.
- Component 4 – No change
- Component 5 – Resources increased and an output on sector wise progress assessments on national actions on GHG emissions reductions added and references to NDC implementation removed and a capacity related output #14 included.
- Component 6 – Reference to BTR1 removed

2. Component 1: Please remove BTR-relevant outputs (i.e. 5, 10).

Agree.

3. Component 1: Output 4, Progress on national actions to reduce GHG emissions sector wise seems to belong to Component 4. Please clarify.

Agree, as the numbering of the Components has changed, the same is considered under Component 5 on Mitigation actions and domestic MRV.

4. Component 2: Please comment on the timing of the GHG inventory preparation, which remains in a x-4 year cycle, considering the future requirements under the enhanced transparency framework. Considering India's experience over the last three BURs, could this project support India to advance its GHG inventories to a x-2 year cycle in preparation for the BTR?

Noted. The current approach is as per UNFCCC guidelines, that allow developing countries to have the flexibility to use x-4 year cycle for NC. However, for the Fourth National Communication, X-3-year cycle will be used. Efforts to reduce it to x-2 cycle will be considered subject to the availability of updated data in 2 years timeframe as this remains a challenge particularly in IPPU, LULUCF sectors.

5. Component 2: Please clarify the potential overlaps and coordination with the CBIT project, which will support ability to report GHG emission inventories as per the IPCC 2006 guidelines.

Yes. This is clarified under Component 2 (Page # 18) and in Page # 24 on institutional framework for project implementation. CBIT project proposes to complement this project with appropriate synergies in activities.

The CBIT project would focus on **developing India's capacity** to report GHG emission inventories as per Intergovernmental Panel on Climate Change (IPCC) 2006 guidelines (or latest applicable). Whereas, This FNC project will lead to **development of actual GHG emission inventories** as per Intergovernmental Panel on Climate Change (IPCC) 2006 guidelines (or latest applicable).

6. Please remove BTR-relevant output portions. Component 3: Please clarify the potential overlaps and coordination with the CBIT project (output 3.1.2) which will produce climate variability maps and models at sub-national level. Please also comment on the relevance of these district level information for the reporting at the national level to the UNFCCC.

Agree. Outputs linked to BTR removed

The output 3.1.2 (CBIT Project) focuses on the capacity development for climate variability maps and models at "sub-national" level to track "incremental progress" on the adaptation goal. This will be done using sectoral appropriate classifications (agroecological in case of agriculture, catchment area in case of water resources). The FNC project proposes to document the "updated" status of adaptation, vulnerability and impacts through climate variability maps at "district" level.

The district level information is highly relevant in context of India, primarily for the following reasons:

- Size of districts in India varies significantly. In some cases, India's one district is bigger than some countries in the world. For example, the population of the largest district (Kutch) in India is nearly 2 million and the smallest district is 41,000. It is important to capture district level information due to huge variation in population and size.
- District level information are currently reflected as part of information provided for state level actions. District specific information will help to identify more specific impacts and efforts being made by the country to address those impacts

7. Component 3: Please remove BTR-relevant outputs.

Agree.

8. Component 4: Please clarify the potential overlaps and coordination with the CBIT project, which will support "sectoral/sub-national assessment of financial resource needed to implement the NDCs. Also highlighting specific barriers related to technology needs or any other capacity-building support."

Agree and attempted accordingly. Capacity to track NDC will be developed by the CBIT project and tracking of NDC will be done through BTR.

9. Component 4: Please clarify on the need to develop additional sectoral TNAs, considering these were developed under the TNC. The idea of TNAs is to inform technology action plans for implementation. These activities also seem to overlap with Component 1. Please clarify.

TNA is a dynamic exercise considering how fast technologies and associated needs are changing. It is important to document and inform technology action plans on a continued basis. Under TNC, TNA is being done for 10 sectors. Under FNC, technology to strengthen policy implementation will be captured for each sector or additional sectors based on latest available technologies.

10. Component 4: Please remove BTR-relevant outputs.

Agree.

11. Component 4: Considering the number and scope of outputs, this component seems under-resourced compared to others. Please consider adjusting resources between components.

Agree, Resource allocation has been enhanced (Component 5)

12. Component 5: Please clarify the expected submission date of the fourth NC, considering the 4-year timeline. If the TNC is submitted in 2020, we would expect the fourth NC to be submitted in 2024.

As per para 60 (b) of decision 1/CP.16, Parties not included in Annex I to the Convention should submit their national communications to the Conference of the Parties, in accordance with Article 12, paragraph 1, of the Convention, every four years or in accordance with any further decisions on frequency by the COP, taking into account a differentiated timetable and the prompt provision of financial resources to cover the agreed full costs incurred by Parties not included in Annex I to the Convention in preparing their national communications.

The project is expected to receive GEF funding and start implementation in June 2021. So, the project is expected to submit the Fourth National Communication not later than X+4 years (June 2025), where X is the date of funding available.

13. Please remove BTR-relevant output portions.

Agree

Co-financing

Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Co-financing is not a requirement for enabling activities however, co-financing of \$18,000,000 from the government is listed.

We note that \$2,000,000 of recurrent expenditures are listed as grant. Please clarify if this indeed refers to grant co-financing (i.e. resources provided without expectation of repayment) as usually recurrent expenditures relate to in-kind contributions in the form of goods or services other than money, including but not limited to salaries and wages, office space, and utilities. If so, please clarify how this grant is expected to be used with regards to the components.

4/10/2020: Co-financing from the government has been categorized as in-kind. Comment cleared.

Agency Response

Response 9 April 2020:

Yes. This would be in kind recurrent expenditure in the form of salaries, office space, equipment, other manpower cost borne by Ministries in collection and collation of information. The two types of cofinancing have now been clubbed.

The GEF STAR allocation for the project remains the same and co-financing adjusted to lower amounts. The cost likely saved from exclusion of the BTR will be used to address recommendations of ICA, in particular, adoption of higher tier estimation for GHG emission inventory that will help to develop country specific models to estimate emissions from anthropogenic sources.

GEF Resource Availability

Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, this EA is requesting \$4,066,830 from India's STAR CC and \$932,940 from the CC set-aside.

Agency Response

Are they within the resources available from (mark all that apply):

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, India has \$4,066,830 available in its CC STAR.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, India has \$4,066,830 available in its CC STAR.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

N/A

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, this EA is requesting \$4,066,830 from India's STAR CC and \$932,940 from the CC set-aside.

Agency Response

Is the financing presented adequate and demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: India is choosing to complement the agreed full-cost from set-aside for NCs (up to \$500,000) and BURs (up to \$352,000) with its CC STAR allocation.

This previous EA which supported India's TNC and first three BURs with \$9,010,604. We note that that project suffered significant delays in disbursing amounts and that as of 2019's Progress Implementation Report, only \$4,631,807 of the \$9,010,604 allocated (barely over 50%) had been disbursed.

Considering this past project and existing support under the CBIT, please comment on how the project will ensure resources are disbursed effectively to support the timely preparation of India's fourth NC and BUR, while coordinating the support provided by the CBIT project. Please also comment on the approximate resources breakdown of this project for the NC and BUR separately, which cannot be determined from Table B as outputs apply to both.

4/10/2020: Delays for the previous EA project have been clarified and disbursement amounts to date have been updated, showing significant progress since last year. India plans to submit these reports by October 2020. This project will apply lessons learned from the implementation of that project to avoid delays. An approximation for the cost for the BUR and NC in this project has been provided. Comment cleared.

Agency Response

Response 9 April 2020:

1. Implementation of the TNC project got delayed in the initial years due to number of operational challenges. The critical challenge was change in fund disbursement modality by Government of India for all externally aided projects. The change in modality led to delay in implementation of activities and had a cascading effect on number of project activities. Also, there are more than 50 institutions involved in the research work for preparation of the TNC, there is always a lag in their expenditure and our reporting. In order to expedite the project implementation, detail work plans along with scope of work for each activity was defined. Nearly 95% of the project funds have been programmed for various activities, number of new experts have been roped in for quality check and fast-tracking implementation of activities. The total updated disbursement is USD 6,240,397 as of March 2020. Nearly USD 400,000 is also spent by institutions which is being disbursed and entered into the financial system. Remaining budget is committed and programmed for expenditure in 2020.

2. Based on the learnings of the TNC project, the FNC project will work towards following activities to ensure timely disbursal

- Multi year work plan to be developed and approved in the first year of the project implementation
 - Terms of reference and scope of work for all activities will be completed by year 2 of the project implementation.
 - Roster of experts and engagement plan will be developed and informed for each activity in year 1 of the project implementation.
 - 50% of the project funds will be committed by 2nd year of the project implementation and 95% by end of 4th year of the project implementation.
 - Project implementation will be strongly monitored by the steering committee on regular basis.
3. The cost envisaged for preparation of the NC is nearly USD 3 Million and USD 1.5 Million for BUR

Part 2: Enabling Activity Justification

Background and Context.

Are the achievements of previously implemented enabling activities cited since the country(ies) became a party to the Convention?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Please address the following comments:

1. There is no reference to the experience in the implementation of the ongoing TNC project, including the 2-year delay in submitting the BURs and the TNC (and further delays in completing the project within the timeframe initially proposed). Please clarify.
2. While there is some reference to the ICA process held for the previous BURs, there is no specific reference to the identified needs for capacity-building in the last cycle (or the needs identified do not match what was included in the EA request). Please further outline which are being addressed in the third BUR, which needs will likely remain and would be targeted by this project.
3. Further, while there is some reference to the approved CBIT project for India, there is potential overlaps and value-added between the two projects has not been specifically addressed. Please clarify.

4/10/2020:

1. Reference to current TNC project has been added. Comment cleared.

2. Additional information on recommendations from ICA process have been added. Comment cleared.
3. Additional clarification on how this project will coordinate and avoid overlaps with the ongoing CBIT project have been provided. Comment cleared.

Agency Response

Response 9 April 2020:

Agree.

1. Experience in the implementation of the ongoing TNC project now included in page 11 of the PIF
2. The ICA inputs have now been included in the results framework (Page # 3,4 and 7).
3. Refer to Page # 18, 23 for updated section on linkages and value addition between the two projects.

Goals, Objectives, and Activities.

Is the project framework sufficiently described?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Please address the following comments:

1. As this project is not requesting a PPG, please remove references to “during PPG phase”.
2. On the M&E plan, we note that audits are part of the PMC not M&E budget. Please revise.

4/10/2020:

1. References to a PPG phase have been removed. Comment cleared.
2. Audits have been removed from the M&E budget. Comment cleared.

Agency Response

Response 9 April 2020

Agree.

1. The reference to PPG phase has been removed from the PIF
2. Noted and accordingly updated the M&E plan section

Stakeholders.

Does the PIF include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, this is sufficient at this stage.

Agency Response

Gender equality and women's empowerment.

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Please remove reference to “during PPG phase”.

4/10/2020: Reference to a PPG phase have been removed. Comment cleared.

Agency Response

Response 9 April 2020:

Reference to PPG removed from all sections

Part III. Endorsement/ Approval by OFP**Country endorsement**

Has the project been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF database?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Yes, the project has been endorsed by the GEF OFP, Ms. Richa Sharma. While the letter makes reference to resources that would come from set aside resources and from India's CC STAR, the letter has to describe that breakdown. Please submit an updated letter that shows the breakdown as shown in Table D.

4/21/2020: An updated letter from the OFP showing this breakdown has not yet been provided. This delay is due to the existing shut down across India due to COVID-19. After consultation with the GPU manager, will recommend EA clearance at this time in case an exception can be made/updated LOE is submitted this week.

Agency Response

Response 9 April 2020;

We requested the Ministry during our discussion and through a mail dated 9th September 2020 to issue a revised LOE. Considering India is under complete lockdown, the GEF OFP has been requested to confirm by an email and the letter follows subsequently.

Response to Comments

**Are all the comments adequately responded to? (only as applicable)
Gef Secretariat comments?**

GEF Secretariat Comment

Agency Response

Other Agencies comments?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO clearance/approval recommended?

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Please address comments.

4/10/2020: Technical comments have been addressed.

Additional Comments

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

4/3/2020: Roles of the Implementing Agency in execution need to be clearly defined, if any.

We note as well that in order for this project to be endorsed, India must have submitted its TNC and BUR 3 to the UNFCCC.

We expect that by CEO endorsement, additional information on stakeholder engagement in particular of NGOs and local stakeholders, to be provided, as well as on the gender analysis and action plan.

Review Dates

	PIF Review	Agency Response
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

PIF Recommendation to CEO**Brief reasoning for recommendations to CEO for PIF Approval**

The proposed project will help India prepare its Fourth National Communication (4NC) and Fourth Biennial Update Report (BUR4) and to fulfill its commitments to the UNFCCC in accordance with the relevant decisions of the Conference of Parties. The project will strengthen institutional and analytical capacities at a decentralized level to enable India to prepare improved climate change adaptation and mitigation strategies, enhanced technology transfer for adaptation and mitigation, and sustained institutional capacity for developing future climate change reporting. India is currently completing the work for its TNC and BUR3, which it plans to submit by October 2020.

The 4NC/BUR4 project will build on findings and recommendations from previous NC and BUR work as well as recommendations resulting from the ICA process for its first two BUR. India plans to submit the BUR4 by December 2022 and the 4NC in 2025. Under this project, the GHGI will be updated up to 2018 for BUR4 and the Fourth NC will present the GHGI up to 2022 year per the IPCC 2006 guidelines or subsequent revisions.

This component will benefit from the capacity enhanced by the CBIT project for inventory preparation for full transition and adoption of the 2006 IPCC guidelines and to reflect achievement of emission reductions as per the IPCC new guidelines. The FNC will benefit as well from the pool of trainers created by the CBIT project on various other aspects of national reporting, and from the IT-enabled system (NICS) that will be developed to govern interaction between relevant stakeholders in a coordinated and timely manner for effective and timely national reporting.

The project consists of the following components:

Component I: Information on national circumstances

Component II: Institutional arrangements relevant to the preparation of the national communications (4NC and BUR4), related financial, technical and capacity needs and other relevant information

Component III: Developing GHG Inventory as per 2006 IPCC guidelines or any subsequent version or refinement of the IPCC guidelines

Component IV: Vulnerability, Impact and Adaptation

Component V: Mitigation actions and domestic MRV

Component VI: Fourth National Communication and Fourth BUR Prepared, submitted and disseminated

India is complementing the \$852,000 from set-aside with \$3,714,000 from its CC STAR allocation. It will also provide \$17.5 million in-kind in co-financing.