



Enabling Malaysia to Prepare Its First Biennial Transparency Report to the UNFCCC

Part I: Project Information

GEF ID

10968

Project Type

EA

Type of Trust Fund

GET

CBIT

CBIT No

Project Title

Enabling Malaysia to Prepare Its First Biennial Transparency Report to the UNFCCC

Countries

Malaysia

Agency(ies)

UNEP

Other Executing Partner(s)

Ministry of Environment and Water (KASA)

Executing Partner Type

Government

GEF Focal Area

Climate Change

Taxonomy

Focal Areas, Climate Change Mitigation, Climate Change, United Nations Framework Convention on Climate Change, Paris Agreement, Enabling Activities, Influencing models, Strengthen institutional capacity and decision-making, Stakeholders, Civil Society, Local Communities, Communications, Awareness Raising,

Indigenous Peoples, Private Sector, Type of Engagement, Participation, Consultation, Information Dissemination, Gender Equality, Gender results areas, Knowledge Generation and Exchange, Capacity Development, Capacity, Knowledge and Research, Knowledge Exchange, Knowledge Generation, Workshop, Training

Sector

Enabling Activity

Rio Markers

Climate Change Mitigation

Climate Change Mitigation 2

Climate Change Adaptation

Climate Change Adaptation 1

Type of Reports	Submission Date	Expected Implementation Start	Expected Completion Date	Expected Report Submission to Convention
UNFCCC Biennial Transparency Report (BTR)	4/8/2022	1/1/2023	8/31/2025	12/31/2024

Duration

32In Months

Agency Fee(\$)

74,480.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
CCM-EA	GET	784,000.00	
		Total Project Cost(\$)	784,000.00
			0.00

B. Project description summary

Project Objective

To support Malaysia to prepare and submit its First Biennial Transparency Report (BTR) that complies with the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement (PA) reporting requirements while responding to its national development goals.

Project Component	Expected Outcomes	Expected Outputs	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
1. Preparation of Malaysia's Biennial Transparency Report (BTR)	1. Malaysia updates tools and approaches to meet its BTR reporting requirements under the Paris Agreement.	1. First BTR prepared and submitted to UNFCCC by December 2024	697,727.00	
-	-	2 A self-assessment and stocktaking exercise for preparation of subsequent BTRs completed	15,000.00	
		Sub Total (\$)	712,727.00	0.00
Project Management Cost (PMC)				
			71,273.00	
		Sub Total(\$)	71,273.00	0.00
		Total Project Cost(\$)	784,000.00	0.00

Please provide justification

C. Source of Co-Financing for the Project by Name and by Type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
Total Co-Financing(\$)				

Describe how any "Investment Mobilized" was identified

N/A

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

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNEP	GET	Malaysia	Climate Change	CC Set-Aside	484,000	45,980	529,980.00
UNEP	GET	Malaysia	Climate Change	CC STAR Allocation	300,000	28,500	328,500.00
Total Gef Resources(\$)					784,000.00	74,480.00	858,480.00

Part II. Enabling Activity Justification

A. ENABLING ACTIVITY BACKGROUND AND CONTEXT

Provide brief information about projects implemented since a country became party to the convention and results achieved

Malaysia is one of the particularly vulnerable developing countries in Asia to the adverse effects of climate change and has a heightened degree of awareness and concern about global warming. The UN Framework Convention on Climate Change (UNFCCC) and its related legal instruments, the Kyoto Protocol, and the Paris Agreement signified Malaysia's commitment to join the international effort to combat climate change. Malaysia ratified the UNFCCC on 13th July 1994, the Kyoto Protocol on 4th September 2002, and the Paris Agreement on 16th November 2016.

In Paris in 2015, the global community came together at the 21st meeting of the Conference of the Parties to the UNFCCC in common cause to reduce greenhouse gas emissions that contribute to climate change and intensify adapting to its adverse effects. Malaysia is a committed partner in this global effort. In accordance with paragraph 2(b) of decision 1/CP.19, Malaysia submitted its Intended Nationally Determined Contribution (NDC), to the UNFCCC Secretariat on 27th November 2015. Through its NDC, Malaysia intends to reduce its economy-wide carbon intensity (against GDP) of 45% in 2030 compared to 2005 level. This consist of 35% on an unconditional basis and a further 10% is condition upon receipt of climate finance, technology transfer and capacity building from developed countries. The INDC covers economy-wide emissions intensity of GDP and focuses on reducing emissions from the sectors of energy, industrial processes, waste, agriculture and land use, land use change and forestry (LULUCF). The INDC also covers three (3) types of gaseous; CO₂, CH₄ and N₂O. The submitted INDC was registered as Malaysia's First Nationally Determined Contribution (NDC), following Malaysia's ratification of the Paris Agreement on 16th November 2016.

Over the past four decades, increasing temperature trends of 0.13°C to 0.24°C per decade have been observed. However, the long-term trend in rainfall is less pronounced. Under RCP8.5, the highest emissions pathway, average temperatures are projected to increase by 3.11°C by the 2090s (0.6°C less than the global average) and 0.8°C by the 2090s under RCP2.6, the lowest emissions pathway, approximately 0.2°C less than the global average. An increase in rainfall is also projected and is expected to be larger in Sabah and Sarawak than in Peninsular Malaysia, although there is generally large uncertainty around precipitation projections. Malaysia is particularly vulnerable to flooding, with this natural hazard contributing more damage than any other the country experiences. The frequency and extremity of flood events have increased in recent decades with projections showing they will continue to increase with continued global warming. The frequency and intensity of heat waves experienced in Malaysia is projected to increase significantly due to a warming climate. Coastal adaptation and disaster risk reduction issues have risen up the national agenda in Malaysia. Vulnerability assessments identify risks to agricultural production in coastal areas from sea-level rise in the range projected under the RCP emission pathways (approximately 0.4-0.7m by 2100, with greater sea level rise in Sabah-Sarawak). Modelling suggests that occurrence of droughts and floods early in

the rice-growing season could reduce yields by up to 60%. Furthermore, drought conditions may impact the cultivation of rubber, palm oil and cocoa. Forest is an important heritage and eco-system of the country. In Malaysia, climate change threatens to exacerbate poverty and inequality, with low-income earners economically dependent on activities where climatic conditions play a prominent role, such as agriculture, fishing and informal sectors in the urban economy, and typically living in more exposed areas.

Policy and Legislative Framework for Climate Change

The main policy on climate change in Malaysia is the National Policy on Climate Change, which was approved by Cabinet in 2009 and provides a national framework for climate change to guide government agencies, industries, and other stakeholders in Malaysia and to mobilize resources to address the challenges of climate change. Malaysia is currently reviewing its National Policy on Climate Change, which was adopted in 2009, whose objectives are:

- Mainstreaming climate change through wise management of resources and enhanced environmental conservation resulting in strengthened economic competitiveness and improved quality of life;
- Integration of responses into national policies, plans and programmes to strengthen the resilience of development from arising and potential impacts of climate change; and
- Strengthening of institutional and implementation capacity to better harness opportunities to reduce negative impacts of climate change.

Since its ratification of the UNFCCC and submission of the NDC, climate change has been emphasized as a key focus of the Malaysian government and has been mainstreamed into national development planning. Climate change considerations were integrated into the 11th Malaysia Plan (2016-2020) and highlighted within the strategic thrust on 'Pursuing Green Growth for Sustainability and Resilience'. The Mid-Term Review of the 11th Malaysia Plan which outlines the focus of the government for the remaining period of the 11th Malaysia Plan from 2018-2020 also provides prominence to climate change under Pillar V on 'Environmental Sustainability through Green Growth'. One of the key priority areas of Pillar V provides the national priorities for intensifying climate change mitigation in the key emitting sectors, and on augmenting climate change adaptation to increase resilience and adaptive capacity. The main national policy on climate change which guides government agencies, industries, and other stakeholders in Malaysia is the National Policy on Climate Change (2009). The policy recognizes the need for both mitigation and adaptation to be carried out and focuses on the principles of (i) Development on a sustainable path; (ii) Conservation of environment and natural resources; (iii) Coordinated implementation, (iv) Effective participation; and (v) Common but differentiated responsibilities and respective capabilities. Sectoral climate change mitigation policies and actions relating to the power generation; transport; industries; waste; agriculture; and land use, land use change and forestry sectors have also been developed and carried out by various Ministries and their Agencies. The 12th Malaysia Plan from 2021-2026, Theme 3, focuses on advancing green growth as well as enhancing energy sustainability and transforming the water sector. The next five years will see a nationwide shift to more sustainable economic practices and lifestyles that value natural endowments and environmental health and will address the issues of climate change, unsustainable consumption and production practices, loss of biodiversity, lack of coherence in the implementation of

policies and inefficient water resources management. The energy sector will address the energy trilemma, while the water sector will focus on ensuring water security for all. The effective execution of policies and strategies under Theme 3 will contribute to sustainable and resilient growth as well as the achievement of the 2030 Agenda around sustainable development goals.

Table 1. Key policies and legislation

Name of Policy/Legislation	Relevance to reporting under the Paris Agreement and the UNFCCC
National Policy on Climate Change (2009)	Strengthening institutional and implementation capacity towards nation's obligations to the UNFCCC during that specific period of implementation.
National Policy on Climate Change Review (ongoing as of 2021)	Updated in order to ensure sufficient data and resources are available to establish a fully functioning transparency system and that can deliver its mandated outputs.
Climate Change Regulatory Framework (ongoing as of 2021)	Formalize roles, responsibilities, resources and relationships needed to deliver the transparency system outputs.
Climate Change Act (planned)	An overarching climate change law which is to be established in order to create a legally binding mandate or legislative power to the institutional arrangements for transparency. Additionally, by developing a formal directive, this climate change act can legitimize resource requests and facilitate reforms and the formulation of new responsibilities which will assist in Malaysia's obligations to the UNFCCC and the Paris Agreement.

Baseline Climate Change projects and initiatives

In alignment with the national prioritizing of climate change related issues, several projects have been implemented. The list of past projects is presented in Table 1.

Table 2: List of past projects and results achieved

No.	Project	Duration	Description
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1	Economics of Climate Change Study	2010-2012	The project is an initiative to build national capacity in developing climate change mitigation and adaptation measures. It involves modelling tools for policy makers as a planning exercise. The study aimed to assist in the development of Low Emission Development Strategies (LEDS) for energy, agriculture and water sectors and recommend possible domestic or supported NAMAs from mitigation recommendation list and utilize expertise on using energy modelling tools such as LEAP and macro-economic modelling such as CGE.
2	Roadmap on Reduction of Carbon Intensity in Malaysia	2011-2012	The project is one of the initiatives to streamline national mitigation actions in relation to Malaysia's pledge in Copenhagen of 40% carbon intensity reduction. It utilized expertise on using energy modelling tools using the MARKAL model.
3	Development of National Carbon Disclosure Programme (NCDP) Framework Study	2012	The project formulated the necessary building blocks for voluntary emission reduction programme in Malaysia. Malaysia's NCDP (also known as the MY Carbon programme) invited private sectors to support national climate change initiatives by disclosing their climate change actions.
4	Green Township (and Low Carbon Cities Framework (LCCF)	2010-2011	The project formulated the national framework and assessment system at the sub-national level and to guide and assess the development of low carbon cities and to support holistic sustainable development in Malaysia. There are two components of the outcome; firstly, the Low Carbon Cities Framework- The framework served as a guide to uses on pertinent areas (elements) that contributes to the reduction of GHG emission. Secondly, the Low Carbon Cities Assessment System ? which is an in-built carbon calculator which helped to determine a city's current baseline and the various strategies recommended in the framework to achieve a reduction level.
5	Energy Efficient Low Carbon Transport (GEF-UNIDO)	2015-2020	The project improved policy and regulatory frameworks for EV use and local manufacturing; strengthened capacity of the relevant institutions and creating awareness among the public. The project developed a demonstration of infrastructure for electric vehicles and its ecosystem. The project had also developed of a document policy; the ?Low Carbon Mobility Blueprint and Action Plan?.

6	Reducing Emission from Deforestation and Land Degradation plus (REDD+)	2011-2013	The project formulated the National REDD+ Strategies (NRS) and increase readiness phase for Malaysia. The project has developed of the NRS (2017) which aims to promote consistency and synergies in the implementation of climate change, forest and biodiversity related policies between federal and state levels. The policy also set off to measure, report and verify (MRV) REDD Plus results and as part of efforts to achieve the Nationally Determined Contribution (NDC) and to develop a sustainable financing mechanism for REDD Plus implementation.
7	Sustainable Consumption and Production (SCP)	2012-2015	The project provided inputs for the formulation on SCP in the Malaysia Plan towards achieving an inclusive, sustainable and high-income developed nation by 2020. The focus of the project was on areas of resource efficiency, green growth and climate change.
8	Building Sector Energy Efficiency Project (BSEEP) (UNDP/GEF)	2010-2016	The project focused on Energy Efficiency for new and existing buildings. The project developed and supported the necessary rating tools and standards and build capacity of public and private developers on building Energy Efficiency design and retrofitting. It recommended possible domestic or supported NAMAs from the building sector and works hand-in-hand using building design simulation model such as IES.
9	Industrial Energy Efficiency for Malaysian Manufacturing Sector (IEEMS) (UNIDO/GEF)	2011-2017	The project promoted the use of ISO50000 Energy Management System, to build capacity of SME in managing energy usage and develop guidelines and standards for industrial equipment.
10	Green Technology Application for the development of Low Carbon Cities (GTALCC) project (UNDP/GEF)	2015-2020	The project removed barriers to low carbon planning and development at the sub-national level in Malaysian cities. The project identified three focus area; policy support to promote integrated low carbon urban development, awareness and institutional capacity development, and low carbon technology investments and demonstration projects in cities.
11	Third National Communication to the UNFCCC and Biennial Update Reporting for Malaysia (GEF/UNDP)	2014-2017	The objective of the project was to prepare Malaysia's Third National Communication and Second Biennial Update Report which was submitted in 2018. The report included among others, Malaysia's GHG inventory for the year 2014 and its timeseries.
12	Second Biennial Update Report on Climate Change (GEF/UNDP)	2017-2019	The project prepared Malaysia's Third Biennial Update Report submitted in 2020. The report included among others, Malaysia's GHG inventory for the year 2016 and its timeseries.

13	Malaysia's First NDC Update (partially fund by the UNDP Climate Promise)	2021-2022	Supported the activities in the preparation of the Malaysia's NDC update particularly in the development of modelling including an energy systems model using TIMES model, and a whole-of-government approach to be used to convene inter-ministerial and sub-national consultations on NDC target- and priority-setting exercises.
14	National Guidance on Voluntary Carbon Market (VCM) Mechanisms	2021	The guidance is prepared for the VCM mechanism to avoid double counting when accounting for the achievement of Malaysia's Nationally Determined Contributions under the Paris Agreement.

In addition to the activities listed above, Malaysia has also been the recipient of capacity-building support on a range of training programmes conducted by the UNFCCC's Consultative Group of Experts (CGEs), the Intergovernmental Panel on Climate Change (IPCC), different multilateral organizations and various Annex I Parties. Capacity building training received were in areas such as GHG inventory, mitigation (measurement, reporting and verifying emissions data), adaptation planning, implementing, and enhancing nationally determined contributions (NDC), climate negotiations and climate finance. Malaysia has received training for GHG inventory from the UNFCCC to enhance its technical capacity on compiling GHG emissions data using 2006 IPCC guidelines. Besides that, Japan through its National Institute for Environmental Studies (NIES) has also provided training in this area via the annual Workshop on GHG Inventories in Asia (WGIA). Malaysia attended various regional training sessions on mitigation action conducted by the UNFCCC, ASEAN, Asian Development Bank, GCF and the Japan International Cooperation Agency (JICA) on the development of mitigation strategies and mechanisms. Malaysia has participated in a scoping study on cooperative MRV towards a potential carbon market within ASEAN. In the area of adaptation, the UNFCCC and IPCC provided training on identifying and reporting adaptation actions to enhance technical capacity in this area. Malaysia also received support from Germany via GIZ and Japan via JICA on climate change action formulation and implementation. Malaysia were also participants in an ASEAN-level symposium on Disaster Management. Malaysia also attended a training workshop to enhance climate negotiation skills organized by the European Capacity Building Initiative (ECBI).

To comply with Articles 4 and 12 of the UNFCCC, Malaysia has prepared and submitted three National Communications and three BURs respectively:

- Initial National Communication (2000);
- Second National Communication (2011);
- First Biennial Update Report (2016);
- Third National Communication and Second Biennial Update Report (2018); and
- Third Biennial Update Report (2020).

In December 2020, Malaysia submitted its Third Biennial Update Report (3rd BUR). During the development of the 3rd BUR, strong emphasis had been given in improving the quality of the GHG inventory, projection of GHG emissions until 2030, quantification of mitigation actions and their effects, vulnerability and adaptation assessment and establishing a sustainable low-cost Measurement,

Reporting and Verification (MRV) system for GHG inventory and mitigation actions. The process of preparing the 3rd BUR report has led to the further development of the institutional arrangements for UNFCCC reporting, and strengthening of the capacity, capability and coordination for the Technical Working Groups and Sub Working Groups.

Under the preparation of the 3rd BUR, information on national circumstances up to year 2016 was described for the sectors where published statistics were available. Sectors covered include, among others: geography, governance, climate, forest and biodiversity, water resources, economy, energy, agriculture and solid waste. Institutional arrangements for climate change policy decision making, development planning and implementation, and climate change guidance and reporting were also reported.

The national GHG inventory in the 3rd BUR report details the estimations of anthropogenic emissions and removals for year 2016 for four sectors, namely the energy, industrial processes and product use (IPPU), agriculture, forestry and other land use (AFOLU), and waste. The inventory also contained time series estimates from 1990 to 2016 for the same sectors, recalculated to reflect updated activity data and emission factors. The 2006 IPCC Guidelines for National Greenhouse Gas Inventories was used to estimate the GHG emissions and removals. The Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories was applied to improve the transparency, accuracy, consistency, comparability and completeness of the inventory. Times series were recalculated to reflect the updated methodologies, activity data as well as additional sub sectors in accordance with these guidelines. In addition, substantial improvements in Malaysia's inventory were demonstrated through the development of a country-specific Emission Factor and application of a tier-2 methodology to estimate emissions from cement production as well as application of a tier-2 methodology for estimating CO₂ emissions from the categories glass production (2.A.3), ammonia production (2.B.1) and HFC-134a emissions from mobile air conditioning (category 2.F.1.b). Malaysia's inventory has also seen further improvements as seen through the developed country-specific EFs for industrial wastewater (category 4.D.2) and application of a tier-2 methodology to calculate emissions for that category and category 4.C.1 (waste incineration).

The 3rd BUR identified plans for improvement for the GHG inventory through which it follows a stepwise approach. Efforts would be concentrated on improving the disaggregation and completeness of the activity data according to the 2006 IPCC guidelines and developing country specific emission factors for key categories. For the energy sector, efforts would be carried out to improve the emission factors and collection and disaggregation of activity data to enable higher tier calculations for the energy industries, road transport and domestic water-borne transport sub-categories. Efforts would also be carried out to improve the completeness of activity data and emission factors for fugitive emissions from the oil and gas sector. The activity data for the IPPU sector had depended on the willingness of the industries to publish or share information on production and emission factors. Further awareness programmes would be carried out to encourage industries to report on their GHG emissions annually through a voluntary carbon reporting programme. For the agriculture sector, efforts would be continued to develop the country specific emission factor for rice cultivation and activity data for liming. Efforts would also be carried out to improve the disaggregation of animal type population according to sex and age categories to enable higher tier estimation of emissions from enteric fermentation. For the

LULUCF sector, development of an updated soil carbon map for the whole country is needed. This development requires international resources. For the waste sector, improvement of activity data and emission factors especially for the key categories would enable further improvement of accuracy of the emissions from the sector.

In the chapter on Mitigation Actions and their Effects in the 3rd BUR report, the quantified mitigation actions were reported. Domestic measurement, reporting and verification of mitigation actions and their effects is coordinated by the Ministry of Environment and Water. Monitoring and measurement of emissions reduction are at different levels of integration into the functions of the implementing agencies. The mitigation action data is collated by the Sub Working Groups (SWGs) with the assistance of consultants. First level verification is carried out by the Greenhouse Gas Inventory and Reporting Unit with the assistance of independent experts. The results are then submitted to the Technical Working Group (TWG) for second level verification and endorsement. The final verification and endorsement are carried out by the MRV TWG.

The technical analysis of Malaysia's 3rd BUR report through the international consultation and analysis (ICA) process noted improvements in the reporting of Malaysia's 3rd BUR compared to its second BUR. Information on institutional arrangements, GHG inventories, mitigation actions and their effects, and needs and support reported in the 3rd BUR demonstrated that Malaysia had taken into consideration the areas for enhancing transparency noted by the previous team of technical experts (TTE) in the summary report on the technical analysis for Malaysia's second BUR.

The ICA for the 3rd BUR has recommended several priority capacity-building actions, some of which were also highlighted in the 2nd BUR:

- Developing country specific EFs to enable application of the tier 2 methodology for the largest emissions sources in the energy sector;
- Developing methodologies and collecting data for estimating GHG emission reductions for non-quantified initiatives, especially for reducing fugitive emissions by oil/gas operators, substituting material in the cement and iron and steel industries, and recycling non-paper materials;
- Developing country-specific EFs and improving AD to enable application of the first-order decay model in the waste sector;
- Enhancing the national capacity to conduct the technology needs assessment, when required, by improving access to adequate financial resources and technical support from international sources; and
- Enhancing the national capacity to estimate emissions from soils and use models, such as the Yasso model.

With the adoption of the Paris Agreement, adopted at the 21st Conference of the Parties (COP) to the UNFCCC in December 2015, all countries agreed on an enhanced transparency framework (ETF) for action and support (Article 13), with built-in flexibility which takes into account Parties' different capacities and builds upon collective experience. The Paris Agreement, sets out a global action plan that puts the world on track to avoid dangerous climate change by limiting global warming to well below 2°C. It establishes that each individual Party should submit a Nationally Determined

Contribution and revise it every five years in order to achieve the global goal of reducing greenhouse gas (GHG) emissions.

In the context of the ETF, countries are expected to track and report progress towards achieving their NDCs, and communicate adaptation actions, including good practices, priorities, needs and gaps, so as to inform the global stock take under Article 14 of the Agreement. Besides submitting their National Communications (NCs) every four years, signatory countries will be expected to submit Biennial Transparency Reports (BTRs) including a National Inventory Report every two years starting from December 2024, thus replacing the Biennial Update Reports (BURs).

An updated submission to Malaysia's first NDC was submitted in July 2021. Based on the updated submission, Malaysia intends to reduce its economy-wide carbon intensity (against GDP) of 45% in 2030 compared to 2005 level. The updated NDC includes the following increased ambition:

- ? The 45% of carbon intensity reduction is unconditional;
- ? This target is an increase of 10% from the earlier submission; and
- ? The GHG coverage is expanded to seven (7) GHGs: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Hydrofluorocarbons (HFCs), Perfluorocarbon (PFCs), Sulphur hexafluoride (SF₆) and Nitrogen trifluoride (NF₃).

Coordination with ongoing projects

This BTR project will ensure coordination with ongoing and planned initiatives to avoid duplication of efforts, maximize impact and ensure resource efficiency.

Malaysia submitted its BUR3 to the UNFCCC on 30 December 2020 as part of the GEF funded project 'Fourth National Communication and Third Biennial Update Report on Climate Change for Malaysia (GEFID 10294)'. Remaining funds from this project were used to prepare Malaysia's BUR 4, hence the project covered NC3/BUR3/BUR4. The BUR 4 project has incorporated the recommendation provided by the Team of Technical Experts as recorded in the Technical Assessment Summary Report of Malaysia's Third Biennial Update Report. This includes reporting of projections in the Mitigation Action and Their Effects Chapter and will also identify the gaps and needs with regard to the reporting requirements of BTR. It is expected that the BUR4 will be submitted to UNFCCC in December 2022. Both the Fourth National Communication and the Fourth Biennial Update Report will be submitted as a single document, similar to the reporting structure of Malaysia's Third National Communication and Second Biennial Update Report.

With the expected submission of BUR 4 to UNFCCC in December 2022 and the BTR1 project start date of January 2023, this project will strive to incorporate where possible, recommendations that will be provided by the Team of Technical Experts by mid-2023.

In parallel to the Fourth National Communication and the Fourth Biennial Update Report to the UNFCCC, Malaysia is also preparing the National Adaptation Plan (NAP), the NDC Roadmap and LT-LEDS and a proposal of a Capacity Building Initiative for Transparency (CBIT) project (presented in

Table 2). The NAP, the NDC Roadmap and the LT-LEDS are relevant to policy planning and will build a strong evidence-based policy to be communicated in a way that resonates financially, technically, economically, to ministries of planning, finance, and development, as well as other stakeholders. The policy will allow to integrate climate change considerations into development planning. Although some activities have been planned for the NDC tracking tool under CBIT, these activities need to be strengthened in order to achieve the reporting requirement of the MPGs for BTR.

The CBIT project will address the overarching framework and activities to transition to the ETF. The work undertaken to prepare Malaysia's First BTR will focus on the preparation of the report. The work that encompasses both projects, i.e. the preparation of BTR and the activities proposed under CBIT will be supervised under the existing institutional arrangement to avoid duplication of work and to ensure synergies and continuity of activities. The work under the relevant thematic TWGs and SWGs will also be monitored closely by the TCCC and NSCCC to ensure appropriate and regular communication and sharing of information. Such institutional arrangement is expected to form a constructive relationship between all of the stakeholders and maintain clear boundaries of activities to be coordinated and not duplicated.

Table 3: Ongoing initiatives

Name of the Project/Program	Implementing Organization	Donor	Implementation dates	Project Goals/Content	Relation to BTR Project
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<p>Fourth National Communication and Third Biennial Update Report on Climate Change for Malaysia (GEFID 10294)</p> <p>(Includes the preparation of the Fourth Biennial Update Report)</p>	<p>Ministry of Environment and Water</p>	<p>GEF</p>	<p>2019-2024</p>	<p>The project's objective is to assist Malaysia to prepare and submit its Fourth National Communication to fulfilment its obligations under the UNFCCC, and communication and further engagement on the Third Biennial Update Report.</p> <p>The project has also supported the preparation of the Fourth Biennial Update Report, which built on the Third BUR recommendations.</p> <p>The project also includes a gender analysis, which key activities under this outcome are to develop a plan to collect sex disaggregated data for the National Circumstances chapter of the 4th NC, conduct a gender analysis and develop a gender action plan, and conduct capacity building sessions and trainings on gender and gender mainstreaming in the context of the NC/BUR processes.</p>	<p>The Fourth BUR is the final BUR to be submitted prior to Malaysia's BTR.</p> <p>The BTR will build upon recommendations from the Fourth National Communication and Fourth Biennial Update Report which will be submitted to UNFCCC in December 2022. The outcomes of the gender analysis in this project will also be the basis for further analysis in the BTR.</p>
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<p>Strengthening Capacities to Increase Resilience with the formulation of an Inclusive National Adaptation Plan (NAP) for Malaysia</p>	<p>Ministry of Environment and Water</p>	<p>GCF (Readiness and Preparatory Support)</p>	<p>2022-2025</p>	<p>The NAP focuses on the challenges Malaysia is facing relating to climate-related hazards (particularly floods, drought, storms, landslides and sea level rise (coastal erosion and inundation)) and addresses the barriers related to institutional, technical, data, knowledge, financial, business and social-cultural aspects.</p>	<p>The project, expected to be completed in 2025 will formulate Malaysia's NAP. The development of NAP is led by the Ministry of Environment and Water.</p>
<p>NDC Roadmap</p>	<p>Ministry of Environment and Water (KASA)</p>	<p>Malaysia Government</p>	<p>2021 (ongoing)</p>	<p>Sets out the roadmap to achieve Malaysia's NDC, specifically in achieving sectoral targets.</p>	<p>Sets out sectoral mitigation target in all sectors to meet the NDC.</p>

<p>Long-Term Low Emission Development Strategy (LT-LEDS)</p>	<p>Ministry of Environment and Water (KASA)</p>		<p>2022</p>	<p>Malaysia aspires to achieve net-zero GHG emissions target earliest by 2050, pending the completion of its Long-Term Low Emission Development Strategy (LT-LEDS) in 2022. Malaysia LT-LEDS will outline strategies and actions for GHG emission mitigation for key economic sectors of the country which include energy, industry processes and product use, agriculture, land use and land use changed (LULUCF) and waste sector. LT-LEDS also involves the development of long-term projections for GHG emissions and removal of these key sectors.</p>	<p>The Long-Term Low GHG Emission Development Strategy represents a long-term strategy to 2050. The NDC implementation period is set to 2030 and is integrated in LT-LEDS.</p>
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Capacity Building Initiative for Transparency (CBIT) project	Ministry of Environment and Water (KASA), UNEP	GEF	2023 -2026	<p>The project aims to develop and strengthen Malaysia's transparency in reporting and to track progress of its NDC, enhancement of the MRV system, and the enhancement of the robustness of the national GHG inventory system while strengthening institutional capacities and coordination mechanisms relating to transparency. The proposed CBIT project builds upon existing capacities and ongoing initiatives to enhance the MRV system under the Ministry of Environment and Water, while enabling policy maker to prescribe to the Enhanced Transparency Framework (ETF) under the Paris Agreement through an efficient coordination mechanism between relevant stakeholders. Taking into account the challenges and barriers that Malaysia is currently facing.</p>	<p>The development of activities and outputs of this project are pertinent as a preparation for the transitioning from Biennial Update Report (BUR) to Biennial Transparency Report (BTR) where Parties need to provide a description of their NDC in their BTR, against which progress made will be tracked.</p>
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Moreover, the project will align to relevant national legislation and seek to inform future policy-making and national planning exercises, including NDC tracking and updating processes.

B. ENABLING ACTIVITY GOALS, OBJECTIVES, AND ACTIVITIES

The proposal should briefly justify and describe the project framework. Identify also key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable. Describe also how the gender equality and women's empowerment are considered in project design and implementation

The objective of this project is to support Malaysia prepare and submit its First Biennial Transparency Report that complies with the UNFCCC and Paris Agreement reporting requirements while responding to its national development goals.

The project has been designed with one outcome, which is to support Malaysia in updating its tools and approaches to meet the BTR1 reporting requirements under the Paris Agreement. This outcome will be realized through the following two outputs: 1. First BTR prepared and submitted to UNFCCC by December 2024; 2. A self-assessment and stocktaking exercise and preparation of subsequent BTRs completed.

Stakeholder Analysis, and Participation in the BTR1 Project Implementation

Stakeholders

Relevant stakeholders will participate and contribute to the BTR1 development process. Stakeholders representing key governmental organizations, academic institutions, education and research institutions, private sector and environmental NGOs with mandates relevant to the UNFCCC, have been envisaged as participants during the stakeholder consultations undertaken under the project proposal development process. The stakeholders involved in BTR1 project implementation have been grouped based on the level of involvement and areas of expertise. Thus, the representatives of the following Central Public Authorities (Governmental Ministries), Central Public Administrations (agencies, services, bureaus and offices), academia, education and research institutions, private sector and civil society institutions have manifested interest to:

? Participate in the overall coordination process of the BTR1 Project, inclusive through a well-defined quality assurance, quality control and verification system.

? Provide relevant activity data to be used in the planned assessments (e.g. national inventory of anthropogenic emissions by sources and removals by sinks of greenhouse gases; tracking progress made in implementing and achieving nationally determined contributions under Article 4 of the Paris Agreement; providing information related to climate change impacts and adaptation under Article 7 of the Paris Agreement; providing information on financial, technology development and transfer and capacity-building support needed and received under Articles 9-11 of the Paris Agreement, etc.).

? Participate in the climate change awareness activities.

? Participate in capacity building activities.

The table below presents the key stakeholders and description of their engagement in the preparation and implementation of this project.

Table 4: The key stakeholders and brief description of their engagement in the project design and implementation

Name of key stakeholders	Ministries, Agencies	Responsibility/expertise	Role in project
Malaysia Climate Change Action Council (MyCAC)	MyCAC involves the highest level of decision-making pertaining to climate change policy in Malaysia. The council is chaired by the Prime Minister with members consisting of Federal Ministries and Agencies as well as State Governments.	The council is chaired by the Prime Minister with members consisting of Federal Ministries and Agencies as well as State Governments.	MyCAC involves the highest level of decision-making pertaining to climate change policy in Malaysia. It sets the policy direction and decisions on climate change policies and action plans including changes in the national institutional arrangement in reporting.

National Steering Committee on Climate Change (NSCCC) (Part of Project Steering Committee)	<p>? Ministry of Finance;</p> <p>? Ministry of Energy and Natural Resources;</p> <p>? Ministry of Foreign Affairs;</p> <p>? Economic Planning Unit, Prime Minister Department;</p> <p>? Attorney General Chambers;</p> <p>? Ministry of Primary Industry and Commodity;</p> <p>? Ministry of Agriculture and Food Industry;</p> <p>? Ministry of International Trade and Industry;</p> <p>? Ministry of Housing and Local Government;</p> <p>? Ministry of Education;</p> <p>? Ministry of Transport;</p> <p>? Ministry of Women, Family, and Community Development;</p> <p>? Ministry of Science, Technology and Innovation;</p> <p>? Ministry of Works;</p> <p>? Department of Environment;</p> <p>? Forest Research Institute Malaysia;</p> <p>? Malaysian Meteorological Department;</p> <p>? National</p>	<p>The NSCCC is chaired by the Secretary General of KASA and is responsible to formulate national policies, strategies and action plans to address various issues relating to climate change and green agenda, including those agreed upon under the UNFCCC and the related fora.</p> <p>The Ministry of Women, Family and Community is responsible to promote and raise public perception on the importance of the role of women and family institutions in contributing towards the developmental agenda of the nation. The Ministry is also responsible for the creation and promotion of community and social awareness programmes as well as the progression of the nation's social development objective aspects especially those relating to social welfare. The Ministry's vision is to be at the forefront to achieve "gender equality, family and community development as a caring and prosperous basis of a fairly developed country".</p>	Overseeing the overall progress of the project.
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<p>Technical Committee on Climate Change (TCCC)</p>	<p>The TCCC consists of six (6) Technical Working Groups (TWGs) comprising experts in their scope from the relevant ministries and agencies. The TCCC reports to the NSCCC.</p>	<p>The TCCC is chaired by the Deputy Secretary General of KASA and is responsible for the following tasks:</p> <ol style="list-style-type: none"> a. Provide recommendation for further mainstreaming and integration of climate change considerations to the national and sectoral development processes through the NSCCC; b. Provide recommendation on implementation and monitoring of the preparation and submission of national reporting for the fulfilment of the obligations under the UNFCCC; c. Ensure sustained capacities for the national climate change reporting process; d. Ensure the institutional arrangements relevant to the preparation of the national reporting is updated; and e. Provide recommendation on the management and monitoring of funding received on climate change and green agenda from domestic, international and relevant bodies. 	<p>For national reporting under the UNFCCC, this committee serves as the technical committee and reporting lines are from the respective SWGs to the TWGs and to the PMG prior to tabling at the TCCC.</p>
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<p>Project Management Group (PMG)</p>	<p>The PMG consists of the:</p> <ul style="list-style-type: none"> ? GHG Inventory and Reporting Unit, Climate Change Division, ? TWG Chairs (or Co-Chairs) and SWG Chairs/Co-Chairs when applicable, ? UN Representatives ? Appointed personnel to support the PMGs function. 	<p>The PMG is responsible for the preparation and submission of the national reporting and for the fulfilment of the obligations under the UNFCCC, its finances, and the institutional and technical strengthening processes as well as the overall national climate change reporting process.</p>	<p>The PMG serves as the secretariat to the TCCC.</p>
<p>Technical Working Group (TWG)</p>	<p>The TWG is comprised of experts in their scope from the relevant ministries and agencies. Six (6) TWGs are set-up consisting of:</p> <ul style="list-style-type: none"> a. TWG on GHG Inventory b. TWG on Mitigation c. TWG on Vulnerability and Adaptation d. TWG on Finance and Needs e. TWG on Research and Systematic Observation f. TWG o Transparency Related Activities 	<p>To support TCCC?s function</p>	<p>The TWGs oversees the work needed and comprised of thematic experts.</p>

The SWG is comprised of data providers from the relevant Ministries/Agencies, academic/research bodies, local authorities and communities, private sectors and Non-Governmental Organisations (NGOs):

Ministries/Agencies:

(Please refer to the NSCCC membership above)

Academic/Research Bodies:

? Forest Research Institute Malaysia (FRIM)

? Malaysian Agriculture Research and Development Institute (MARDI)

? Institute of Energy Policy and Research under University Tenaga Nasional (UNITEN)

? National University of Malaysia (UKM)

? University of Malaysia (UM)

? University of Putra Malaysia (UPM)

? Sunway University

NGOs:

? Malaysian Environmental NGOs

To support the relevant (thematic) TWGs and SWGs.

The members of the SWGs are data providers and contributes towards insightful input/feedbacks.

Additional gender related stakeholders such as CSOs will be identified with the gender analysis to be conducted under the Fourth National Communication, to be submitted by the end of 2022, and will be engaged in the project activities such as Deliverables 5.1 and 6.1.

The reporting process under Output 1 involves a series of stakeholder engagement activities. As in the preparation of the previous UNFCCC reporting, Malaysia adopts a whole Government approach whereby continuous consultation processes are planned for and the key outcomes from the reporting processes are informed and disseminated to all Ministries/Agencies to assist in policy planning involving executive, legislative, regulatory, subnational and stakeholder governance systems. At the same time, a whole society approach is also emphasized for inclusive consultation and for increased public awareness, to promote open decision making and create accountability for high stakeholder engagement. Throughout the process of preparation of the BTR, preliminary finding, analysis, recommendations will also be continuously circulated to stimulate timely discussion and critical feedback.

Key stakeholders will be engaged and consulted through participation in the Project Steering Committee (PSC) through the NSCCC and TCCC and through the activities coordinated by the relevant thematic Technical Working Group (TWG) and Sub-Working Group (SWG). The PSC members will receive periodic reports on progress, and full project updates will be provided during the PSC meetings which will be organized at least twice per year. It is envisaged that the TWG and SWG members will be more frequently engaged through the working group meetings in which specific technical matters related to project activities will be discussed under the TCCC. Other project stakeholders will be engaged through organization of consultation meetings which will be organized during the project implementation period as well as in the training workshops.

The Stakeholder Engagement Plan includes:

•**Project start:**

o A Project Inception Workshop will be held within the two months of project start with those with assigned roles in the project organization structure, UNEP representatives and as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first-year annual work plan. An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

•**Quarterly and Bi-annual progress:**

o Progress in quarterly basis shall be monitored and documented by the TCCC and NSCCC.

? **Periodic Monitoring:**

o A detailed schedule of project reviews meetings will be developed by the PMG, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for NSCCC and TCCC Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

? Day to day monitoring of implementation progress:

o This task will be led by the PMG and the relevant appointed personnel. Any delays or difficulties that may arise during project implementation will be reported to the NPD so that the appropriate support or corrective measures may be taken promptly. Periodic monitoring of implementation progress will also be presented to the TCCC and NSCCC to solve any conflicts arising from any project related issue so as to ensure adequate and timely project implementation.

•**Validation of Project:**

o During the last three months of the project, the PMG will prepare a brief terminal report. This brief report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Gender Equality and Women's Empowerment

Malaysia recognizes the link between gender and the environment, and the role of women in the planning, management and preservation of the environment.

The average percentage of women representation in climate-related policymaking and implementation within the Ministry of Environment and Water (KASA) is 67%. Globally, some progress on women's rights has been achieved. In Malaysia, the adolescent birth rate is 8.8 per 1,000 women aged 15-19 as of 2018, down from 9.3 per 1,000 in 2017.

However, work still needs to be done in Malaysia to achieve gender equality. 75% of legal frameworks that promote, enforce and monitor gender equality under the SDG indicator, with a focus on violence against women, are in place. As of February 2021, only 14.9% of seats in parliament were held by women. Also, women and girls aged 15+ spend 19.1% of their time on unpaid care and domestic work, compared to 6% spent by men.

As of December 2020, only 45.1% of indicators needed to monitor the SDGs from a gender perspective were available, with gaps in key areas, in particular: violence against women and women in local governments. In addition, many areas – such as gender and poverty, physical and sexual harassment, women's access to assets (including land), and gender and the environment – lack comparable methodologies for regular monitoring. Closing these gender data gaps is essential for achieving gender-related SDG commitments in Malaysia.

Malaysia's ratification of CEDAW in 1995, and adoption in 2015 of the Sustainable Development Goals (SDGs), which includes a goal on gender equality (Goal 5), has been viewed as signs of the government's commitment to gender equality and elimination of gender-based discrimination. This commitment can also be seen in the introduction of the National Policy on Women and its Plan of Action in 1989, the establishment of the Ministry of Women, Family and Community Development (MWFC) in 2001, the creation of a Cabinet Committee on Gender Equality in 2003 and piloting a system of Gender Focal Points and Gender Responsive Budgeting in five ministries in 2003, as well as strengthening capacity building programmes for women.

The Ministry of Women, Family and Community Development (MWFC) is the national body responsible for enforcing the legal framework that upholds gender equality and non-discrimination against women in Malaysia. It is also responsible for monitoring this framework's impact. In these efforts, it is largely supported at the subnational level by the respective state departments of women's development. Malaysia has had a Domestic Violence Act (DVA) since 1994, implemented from 1996 onwards in response to the National Women Policy and its Plan of Action. The government has responded to women's groups calling for further improvements to this law with amendments in 2011 and 2017.

Department of Statistics Malaysia (DOSM) has also released Statistics on Women Empowerment in Selected Domains, Malaysia, 2021 with the overall gender equality improved to 71.4 per cent in 2020. This report presents statistics relating to gender in Malaysia for the years 2018 to 2020 focusing on the core set of gender indicators covering eleven main domains. The statistics were prepared based on updated data from DOSM and various agencies.

Malaysia Gender Gap Index (MGGI) identifies the gap between women and men across four sub-indices encompassing Economic Participation and Opportunity, Educational Attainment, Health and Survival and Political Empowerment. A score with a value of 1.0 (100%) indicates the equality of women and men has been achieved. Achievement of women has surpassed men in the Educational Attainment sub-index with a score of 1.059. Health and Survival sub-index recorded a score of 0.956, followed by Economic Participation and Opportunity (score 0.738). Labour force participation rate (LFPR) for women was still low at 55.3 per cent in 2020 as compared to other South-East Asia countries such as Singapore (69.7%) and Thailand (66.8%). Generally, women's LFPR for developed nation exceed 60 per cent. Political empowerment recorded the lowest at 10.0 per cent (score 0.100) that shows women were still lagging behind men in the Ministerial position and Parliament."

Based on the MGGI 2020 score, Malaysia ranked 74th from 156 countries in the world. Simultaneously, within East Asia and the Pacific, Malaysia remained at the eighth position as in 2020 ahead of Thailand, Viet Nam, Indonesia, China and Brunei Darussalam. However, Malaysia is still behind New Zealand, Philippines, Australia and Singapore. It is also estimated that 15.8 million Malaysia's population are women out of a total of 32.6 million in 2020. In terms of live births, baby girls recorded 226,578 births out of a total of 470,195 live births. Women as the head of households were estimated to spend RM3,666 a month and the expenditure on food and non-alcoholic beverages is RM690 or 18.8 per cent of the total expenditure in 2019. Recognising the significant role of women, Malaysia is committed in achieving gender equality and promoting the rights of women and girls. The government's continuous efforts and commitments towards achieving gender equality are in line with the Sustainable Development Goals and Twelfth Malaysia Plan (RMK-12).

Activities under the previous NC and BUR projects have been carried out in a gender inclusive manner at project workshops, technical working groups and sub working groups and secretariat formation. However, gaps remain in obtaining sex disaggregated data and fostering a stronger integration of gender elements into the NCs and BURs.

Gender Action Plan:

The project will put an emphasis on mapping and mainstream gender considerations in the BTR processes to enhance gender responsiveness in all the different stages as follow:

? Initial preparation stage for BTR: include personnel to perform general gender analysis on project team and work with ministry responsible for gender equality to ensure equal gender engagement among stakeholders from government, private sector, civil society and academia;

? Stocktaking and Reporting on BTR: collect sex-disaggregated data across all stocktaking areas, where possible;

? Inception Workshop to initiate BTR process: where necessary, hold side meetings to discuss effective gender and climate change advocacy;

? Preparation of BTR: Identify and report gender using indicators relevant to the BTR processes. The example of indicators include:

Indicator	Type	Level of measure	Source	Demonstrates
Number of women in technical positions in national climate change committees	Direct	Effect	Administrative Data	Women's participation in climate change decision-making and leadership
Women and Men participating in Consultation and Engagement Workshops	Direct	Effect	Administrative Data, Progress Monitoring reports.	Awareness levels

The project will ensure to the possible extent the representation of women and vulnerable communities during workshops and trainings and as beneficiaries of the public awareness programme. Supporting their role in educational activities will help these groups to access the knowledge and skills they require to be active participants in other initiatives which address climate change.

? Reporting on Constraints, Gaps and Needs: Itemize issues arising through sex-disaggregated data collection and analysis, and research and gender analysis of sector issues in each BTR component, where applicable.

The collected information will inform the report on systematic integration of gender-sensitive and participatory education, training and public awareness into all mitigation and adaptation activities produced Under Chapter 5 (Deliverable 5.1). The report will include a gender analysis that will form the basis for continuous improvement analysis to better understand how men and women are differently affected by climate change and to integrate and mainstream gender issues into environment and climate change policies and in the preparation of future reports to the UNFCCC.

The BTR Gender Action Plan will also build on the gender analysis to be conducted under the Fourth National Communication project, which will be finalized by the end of 2022.

C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATION

Discuss the work intended to be undertaken and the output expected from each activity as outlined in Table A

This project aims to prepare and submit the First Biennial Transparency Report (BTR1) of Malaysia. The project will also contribute to strengthening capacities and improving the institutional arrangements and framework to allow for continuous and sustainable reporting. The BTR project is prepared in line with the GEF-7 climate change mitigation objective CCM-3: Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies.

Project Institutional Arrangements

The Ministry of Environment and Water (KASA) will be the Executing Agency (EA), and will be responsible, on behalf of the Government of Malaysia, for the implementation of the preparation and submission of the First BTR. The EA will be primarily responsible for the planning and management of the project activities, accounting, reporting, monitoring and evaluation of the project. The Ministry of Environment and Water is the national focal point of climate change and for the reporting obligations under the UNFCCC and the Paris Agreement. The Ministry hosts the UNFCCC National Focal Point and the GEF Political Focal Point, who will be involved in the coordination process for BTR preparation. Development planning and implementation, including for climate change are coordinated by the Economic Planning Unit in consultation with the relevant Ministries/Agencies. These are carried out through five-year development plans.

Under the current institutional arrangement, the Malaysia Climate Change Action Council (MyCAC) is chaired by the Hon. Prime Minister of Malaysia. The National Steering Committee on Climate Change under the Ministry of Environment and Water guides and endorses all operational matters on climate change, and this committee includes representatives from key ministries and agencies, the private sector and non-governmental organizations. Coordination for the preparation of national communications and BURs to the UNFCCC is under the Technical Committee on Climate Change (TCCC), with the work carried out by six thematic Technical Working Groups (TWGs) and supported by the relevant thematic Sub-working Groups (SWGs).

The United Nations Environment Programme (UNEP) will serve as the GEF implementing agency. UNEP will provide the Executing Agency with all necessary general management and monitoring support during the implementation of this project. UNEP will be responsible for reporting, monitoring and evaluation of the project to GEF, providing substantive support to the project team in meeting the administrative, finance and management requirements.

Preparation, and implementation of this project will be coordinated by the Executing Agency, under the oversight of the Project Steering Committee (PSC). The PSC which will consist of all members of the National Steering Committee on Climate Change is to guide this BTR project and is composed of representatives from the following departments and it is chaired by the Secretary General of the Ministry of Environment and Water, Malaysia:

? UNEP

- ? Ministry of Finance;
- ? Ministry of Energy and Natural Resources;
- ? Ministry of Foreign Affairs;
- ? Economic Planning Unit, Prime Minister Department;
- ? Attorney General Chambers;
- ? Ministry of Primary Industry and Commodity;
- ? Ministry of Agriculture and Food Industry;
- ? Ministry of International Trade and Industry;
- ? Ministry of Housing and Local Government;
- ? Ministry of Education;
- ? Ministry of Transport;
- ? Ministry of Women, Family, and Community Development;
- ? Ministry of Science, Technology and Innovation;
- ? Ministry of Works;
- ? Department of Environment;
- ? Forest Research Institute Malaysia;
- ? Malaysian Meteorological Department;
- ? National Hydraulic Research Institute of Malaysia;
- ? National Disaster Management Agency;
- ? PLAN Malaysia;
- ? Malaysian Green Technology and Climate Change Corporation;
- ? Southeast Asia Disaster Prevention Research Institute, UKM; dan
- ? Malaysia Climate Change Group

The PSC is responsible for taking corrective action as needed to ensure the project achieves the desired results and having decision-making power over all aspects of the project implementation. Decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity and transparency. The PSC will meet every four months to

evaluate progress of work, advise project execution, and where necessary provide overall direction and oversight to the project.

The PSC provides recommendations on the implementation and monitoring of the overall preparation and submission of national reporting. The PSC will facilitate the project activities coordination, providing transparency and guidance, ensuring high-level support and sustainability of the project results.

The specific roles of the PSC in this project include:

- ? Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- ? Address project issues as raised by the National Technical Coordinator (NTC);
- ? Provide guidance on new project risks, and agree on possible mitigation and management actions to address specific risks;
- ? Agree on National Technical Coordinator (NTC)'s tolerances as required, within the parameters set by UNEP-GEF, and provide direction and advice for exceptional situations when the National Technical Coordinator (NTC)'s tolerances are exceeded;
- ? Advise on major and minor amendments to the project within the parameters set by UNEP-GEF;
- ? Ensure coordination between various donor and government-funded projects and programmes;
- ? Ensure coordination with various government agencies and their participation in project activities;
- ? Track and monitor co-financing for this project;
- ? Review the project progress, assess performance, and appraise the Annual Work Plan for the following year;
- ? Appraise the annual reporting in BTR, including the quality assessment rating report;
- ? Ensure commitment of human resources to support project implementation, arbitrating any issues within the project;
- ? Review combined delivery reports prior to certification by the implementing partner;
- ? Provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- ? Address project-level grievances;
- ? Approve the project Inception Report and Validation project Report corresponding lessons learned;

? Review the final project report package during a Validation of the project review meeting to discuss lesson learned and opportunities for scaling up;

? Ensure highest levels of transparency and take all measures to avoid any real or perceived conflicts of interest.

The Project Management Group (PMG) will oversee project implementation activities and will be responsible for the day-to-day management of the project, monitoring, and evaluation. The PMG consists of the GHG Inventory and Reporting Unit (UGHG), Climate Change Division and the appointed personnel to support the PMG's function. The PMG may invite representative from the EPU, TWG Chairs (or Co-Chairs) and SWG Chairs/Co-Chairs when applicable and UNEP representative to their Meetings. The PMG will coordinate all activities and will provide services and carry out activities such as procurement and delivery of project inputs, and their conversion into the project outputs.

The National Project Director (NPD) will be the PMG head and will be responsible for the effective, efficient and timely implementation of project activities. The NPD will report to the Project Steering Committee and will coordinate the implementation of all project activities with them.

The project will be led by the National Technical Coordinator (NTC) who will be responsible for all the project management, administrative and financial matters related to the project under the supervision of the NPD. The Project Administrative Assistant will coordinate all project activities with National Technical Coordinator (NTC), service providers, PSCs, data providers, thematic area experts, including UNEP, UNFCCC secretariat, GEF, and national institutions to ensure smooth and appropriate execution of project activities. The Executing Agency will appoint Service Providers (consultants) who will assist in the preparations of the BTR according to the standard procurement requirements, procedures and evaluation criteria (The Terms of Reference of Service Providers/Key Personnel are presented in Annex A).

The existing institutional arrangement as presented in Figure 1 below will be used in assisting with the preparation of various components of the BTR. Each thematic TWG and SWG comprise of a multi-level stakeholder such as national experts, academic and research bodies, public and private sectors, communities, and NGOs. The UGHG is also the interim unit to the National GHG Centre; the establishment which was approved by the Cabinet on 16th February 2022. The Centre will play an enriched role with additional functions to cater for the ETF under the Paris Agreement and its set-up is expected in early 2023.

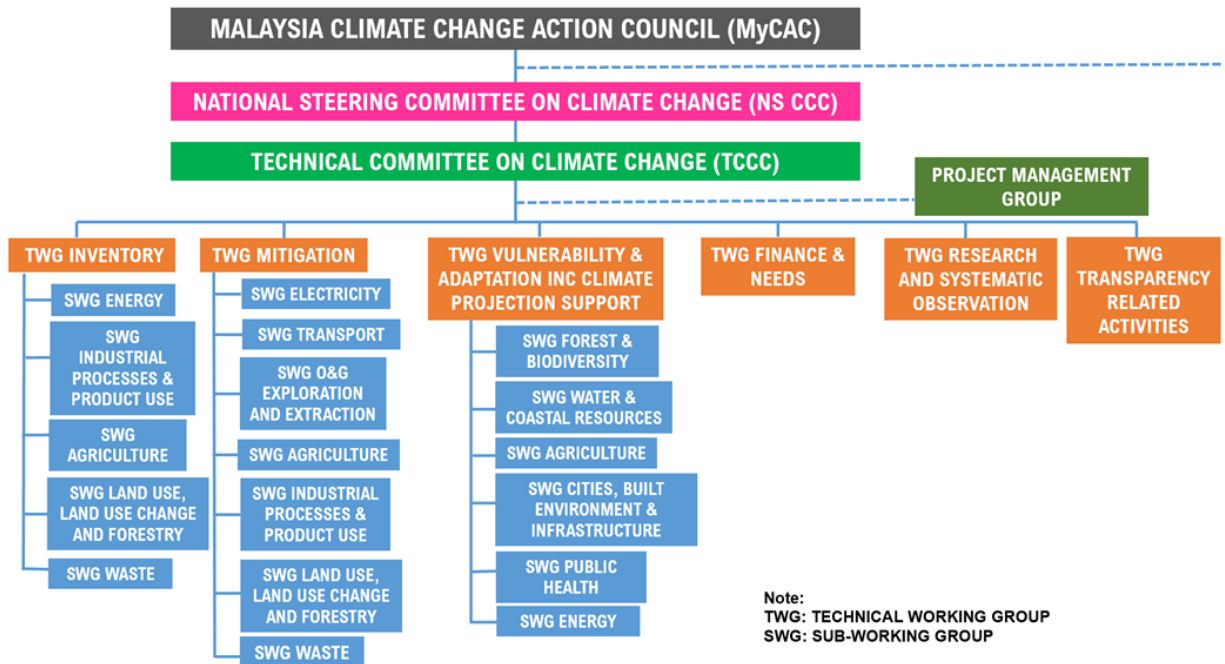


Figure 1: Institutional Arrangements and Thematic Groupings for Climate Change Reporting and MRV Policy and regulatory framework on climate change

Output 1: First BTR prepared and submitted to UNFCCC by December 2024.

Under its first output, this Project will support Malaysia in the preparation and submission of its First Biennial Transparency Report (BTR1) for the fulfilment of its obligations under the UNFCCC.

The content of deliverables produced under this output must follow the Modalities, Procedures and Guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement (FCCC/PA/CMA/2018/3/Add.2). The BTR project will build on findings and recommendations from previous NC and BUR as well as recommendations resulting from the International Consultation and Analysis (ICA) process.

The BTR is expected to include the following content:

- I. National inventory report of anthropogenic emissions by sources and removals by sinks of greenhouse gases
- II. Information necessary to track progress made in implementing and achieving nationally determined contributions under Article 4 of the Paris Agreement
- IV. Information on financial, technology development and transfer and capacity-building support needed and received under Articles 9?11 of the Paris Agreement
- V. Other relevant information (e.g. gender)

Chapter I - National inventory report (NIR) (National Inventory Document (NID))

This section aims to provide a description of Malaysia's national circumstances related to GHG emissions and removals and produce the National Inventory Report (NIR (1990-2021)) which may be submitted as a stand-alone report or as part of the BTR. The NIR will include information on national circumstances and institutional arrangements relevant to GHG inventory; methodologies and metrics used (methodologies, parameters and data, key category analysis, time series consistency and recalculations, uncertainty assessment, assessment of completeness, QA/QC); general trends of national emissions and removals; inventory of national emission per sector and per gas; key category analysis; time-series consistency and recalculations; uncertainty assessment; assessment of completeness; Quality Assurance/ Quality Control; metrics for the 100-year time-horizon global warming potential and recommendation for future improvement among other relevant information to GHG inventory.

According to Decision 18/CMA.1, each Party shall provide a national inventory report of anthropogenic emissions by sources and removals by sinks of GHGs. The national inventory report shall consist of a national inventory document and the common reporting tables. Each Party shall report the information referred to in paragraphs 39-46 of the Reporting Guidance that recognizes the associated flexibilities provided for those developing country Parties that need them in the light of their capacities. Malaysia's National Inventory Report for the years 1990-2021 in the frame of BTR1 will include national inventory document and the common reporting tables.

The scope of work to be undertaken under this section takes into account Malaysia's national circumstances/priorities/needs and gaps identified in the previous reports. The proposed scope of work are categorized into the following three deliverables (1.1, 1.2, 1.3) and activities tasked under the scope of work of the thematic TWG (TWG Inventory):

Deliverables:

1.1 A national circumstances and institutional arrangements section related to GHG inventory.

1.1.1 Provide updated information on national circumstances and institutional arrangements relevant to the preparation of the BTR. The information includes:

? national circumstances up to the year of reporting for sectors where published statistics are available, information on the sectors that are relevant to climate change;

? the physical geography, climatic trends and climate governance arrangements in Malaysia; and

? information on a proposed systematic coordination of National GHG inventory data through the Greenhouse Gas Information Management System (GHG-IMS) expected to be tested during the preparation of the BTR.

1.2 A section on methodologies and metrics.

1.2.1 Identify and provide description on the methodologies and metrics for the preparation of BTR as per reporting requirements to assist the transparency of reporting (methodologies, parameters and data, key category analysis, time series consistency and recalculations, uncertainty assessment, assessment of completeness, QA/QC).

1.3 The national inventory report (consisting of a national inventory document, the common reporting tables and an improvement plan).

1.3.1 Collect GHG inventory data.

1.3.2 Undertake quality control of data.

1.3.3 Conduct emission calculation.

1.3.4 Prepare a national inventory report 1990-2021 with detailed descriptive and numerical information on national greenhouse gas emission estimates/anthropogenic emissions by sources and removals by sinks of greenhouse gases, including:

? Coverage of the seven (7) greenhouse gases (GHG): Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O), Hydrofluorocarbons (HFCs), Perfluorocarbon (PFCs), Sulphur hexafluoride (SF₆) and Nitrogen trifluoride (NF₃).

? The national emission per sector and per gas estimation is to be conducted in accordance with IPCC guidelines ?2006 IPCC Guidelines for National Greenhouse Gas Inventories?, ?IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories (2000)? and where appropriate the ?IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry (2003)? and ?2013 Supplement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands?. The GHG Inventory in the BTR report will detail in the anthropogenic emissions and removals for five sectors: energy; IPPU; agriculture; LULUCF and waste;

? Methodologies for the estimation of the GHG inventories will also address the recommendations on the improvement involving methodological tiers in the estimation of GHG emissions and removals especially for key categories in the Fourth National Communication and Fourth Biennial Update Report (expected to be submitted in December 2022);

? The GHG inventory also contains time series estimates from 1990 to current reporting year for the same sectors, recalculated to reflect updated activity data and emission factors;

? General trends of GHG emissions and removals;

? The key category analysis, Uncertainty assessment, Assessment of completeness, Quality Assurance/ Quality Control and Metrics for the 100-year time-horizon global warming potential.

1.3.5 Identify recommendations for future improvement plan. The information to include on-going and future activities including in the National Inventory Improvement Plan.

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

This section aims to provide a description of Malaysia's national circumstances and information on institutional arrangement relevant to implementing and achieving NDC, GHG emissions and removals projections and any other information relevant to tracking progress made in implementing and achieving its NDC, GHG emissions and removals projections and any other information relevant to tracking progress made in implementing and achieving its NDC. The section will detail among others information on national circumstances and institutional arrangements related to NDC tracking; a description of a Malaysia's nationally determined contribution under Article 4 of the Paris Agreement including updates; information necessary to track progress made in implementing and achieving Malaysia's nationally determined contribution under Article 4 of the Paris Agreement; mitigation policies and measures, actions and plans, including those with mitigation co-benefits resulting from adaptation actions and economic diversification plans, related to implementing and achieving a nationally determined contribution under Article 4 of the Paris Agreement; summary of greenhouse gas emissions and removals; projections of greenhouse gas emissions and removals, as applicable and other information relevant to tracking progress made in implementing and achieving Malaysia's NDC under Article 4 of the Paris Agreement.

The proposed scope of work are categorized into the following four main deliverables tasked under the scope of work of the thematic TWGs (TWG Mitigation and TWG Transparency-related Activities):

Deliverables:

2.1 A national circumstances and institutional arrangements section related to NDC tracking.

2.1.1 Identify and describe the information on the national national circumstances, institutional arrangements and stakeholder engagement section related to NDC tracking of mitigation actions at the Federal and State level under Article 4 of the Paris Agreement

2.2 A section providing Malaysia's NDC's overview, actions, policies and measures.

2.2.1 Provide a description of Malaysia's NDC under article 4, against which progress will be tracked.

2.2.2 Identify the indicator (s) selected to track progress towards the implementation and achievement of Malaysia's NDC under Article 4 (Indicators relevant to Malaysia's NDC under Article 4 are quantitative indicators).

2.2.3 Identify tangible country-specific mitigation actions, policies and measures that contribute towards the achievement of the NDC using transparent and sectoral detailed metrics and focusing on those that have the most significant impact on GHG emissions or removals and those impacting key categories in the national GHG inventory.

Describe the methodologies and assumptions used to estimate the GHG emission reduction or removals due to each action, policy and measure, to the extent available.

2.3 Projections of GHG emissions and removals (time coverage, structure, NDC indicators, methodologies).

2.3.1 Provide a summary of GHG emissions and removals for the reporting years? corresponding to Malaysia's most recent national inventory report in a tabular format.

2.3.2 Develop of bottom-up projection models and tools that is consistent with national circumstances and domestic development priorities.

2.3.3 Provide documentation of activities pertaining to sectoral projection developments;

2.3.4 Carry out consultation process with diverse groups of stakeholders to ensure projection development is aligned to sectoral growth.

2.4 NDC tracking report.

2.4.1 Develop a report on sectoral projections that are indicative of the impact of mitigation policies and measures on future trends in GHG emissions and removals.

2.4.2 Provide information on methodology used to develop the projections in bullet point one above.

2.4.3 Provide analysis and information on the progress and achievement of the NDC.

Chapter III - Information related to climate change impacts and adaptation under Article 7 of the Paris Agreement

Malaysia's updated NDC does not contain component on implementation of adaptation actions, information related to the progress on implementation of adaptation actions; M&E of adaptation actions and processes; information related to averting, minimizing and addressing loss and damage associated with climate change impacts; cooperation, good practice, experience and lessons learned will not be reported in the BTR. Malaysia is currently developing its National Adaptation Plan which is expected to be finalized in 2025 and may report progress under Chapter III in future reports to the UNFCCC.

Chapter IV - Information on financial, technology development and transfer and capacity-building support provided and mobilized under Articles 9-11 of the Paris Agreement

This section aims to provide information on national circumstances, institutional arrangements relevant to reporting on the provision and mobilization of support, as well as a description of the underlying assumptions, methodologies and definitions, as applicable and information on financial support, technology development and transfer, and capacity- building support needed and received including an assessment of various existing policies and strategies relating to gender and climate change. The scope of work to be undertaken in order to realize this section will include compilation of information on national circumstances, institutional arrangements and country-driven strategies; underlying assumptions, definitions and methodologies; information on financial support needed and received by

Malaysia under Article 9 of the Paris Agreement; information on technology development and transfer support needed and received by Malaysia under Article 10 of the Paris Agreement; information on capacity-building support needed and received by Malaysia under Article 11 of the Paris Agreement; information on support needed and received by Malaysia for the implementation of Article 13 of the Paris Agreement and transparency-related activities, including for transparency-related capacity-building.

The proposed scope of work are categorized into the following four main deliverables tasked under the scope of work of the thematic TWG (TWG Finance and Needs):

Deliverables:

4.1 A section on national circumstances, institutional arrangements relevant to reporting on the provision and mobilization of support.

4.1.1 Update and provide information on National circumstances, institutional arrangements and country-driven strategies relevant to reporting on the provision and mobilization of support.

4.2 A description of underlying assumptions, definitions and methodologies.

4.2.1 Describe the underlying assumptions, methodologies and definitions used to identify and enhance transparency of reporting.

4.3 Section on financial support, technology development and transfer, and capacity- building support needed and received.

4.3.1 Systematization of the reporting of climate finance received across the ministries/agencies at the Federal and State level.

4.3.2 Develop a training plan for reporting climate finance received and tracking at subnational level.

4.3.3 Provide description on the harmonized methodologies, underlying assumptions and definitions.

4.3.4 Provide data and information gathering from the respective TWG to fulfill the common tabular format on:

? Information on financial support needed and received by developing country Parties under Article 9 of the Paris Agreement;

? Information on technology development and transfer support needed and received by developing country Parties under Article 10 of the Paris Agreement;

? Information on capacity-building support needed and received by developing country Parties under Article 11 of the Paris Agreement; and

? Information on support needed and received by developing country Parties for the implementation of Article 13 of the Paris Agreement and transparency-related activities, including for transparency-related capacity-building.

Chapter V: Other relevant information

5.1 Report on systematic integration of gender-sensitive and participatory education, training and public awareness into all mitigation and adaptation activities, including:

? Gender analysis that will form a basis for continuous improvement analysis to better understand how men and women are differently affected by climate change. This includes gender issues and gender mainstreaming in environment and climate change management and the role of gender in the BTR processes.

Stakeholder engagement events, publication and submission of report

In this section, information on all stakeholder engagement events, consultations and trainings relevant to supporting the compilation of the BTR is outlined. The section also includes a description of deliverables related to the implementation of stakeholder engagement plan. These should allow Malaysia to engage stakeholders in the BTR1 elaboration process, raise general awareness, build stakeholders capacities, and promote regional networking, peer-to-peer exchange and knowledge sharing.

The proposed scope of work under this section are categorized into the following four main deliverables.

Deliverables:

6.1 Consultations and workshops (inception, in-depth review and validation).

6.1.1 Organize the Inception Workshop to launch the BTR1 project in Malaysia (online and/or in person).

6.1.2 Conduct at least three (3) in-depth consultation sessions for in-depth review workshop according to all the thematic areas of all chapters of the BTR.

6.1.3 Conduct at least two (2) consultation workshops on the full draft of BTR.

6.1.4 Organize the Validation workshop at end of project (online and/or in person).

6.1.5 Conduct one (1) workshop on gender and climate change with national and international stakeholders to:

? Share relevant case studies, examples and lessons learned on the results, impacts and main challenges in the integration of gender into national climate policies, plans, strategies and action, as appropriate.

? Provide an opportunity for interaction on knowledge gaps and challenges and lessons learned. This includes efforts to enhance gender statistics and indicators in the context of climate change agenda in Malaysia.

6.2 Implementation of training for technical experts participating in the technical expert review of BTR.

6.2.1 Modelling and training workshops on projections of GHG emissions and removals:

? Four (4) sectoral modelling workshops (Energy, Waste, IPPU, AFOLU).

? One (1) training workshop on Art. 6.

? One (1) training workshop on compilation and tracking NDC.

6.2.2 At least two (2) training workshops related to IPCC guidelines/MPGs of the BTR;

6.2.3 One (1) regular technical training workshops (online and/or in person) on reporting tools once the test version becomes available to facilitate an interactive exercise with experts that demonstrates the functions of the reporting tools; and

6.2.4 One (1) regular technical training workshops (online and/or in person) on reporting tools once the final version is released, to facilitate an interactive exercise with experts that demonstrates the functions of the reporting tools and to facilitate peer learning and the sharing of experience among Party experts in using the reporting tools and integrating them into their national inventory arrangements.

6.3 Compilation, translation and executive summary.

6.3.1 Compile the draft BTR1 report;

6.3.2 Address comments provided by the stakeholders and prepare final BTR1 report.

6.3.3 Submission to the Cabinet Paper for endorsement.

6.4 Publication and Dissemination.

6.4.1 Prepare e-copies of the reports (NIR, BTR1 etc).

6.4.2 Publication of the BTR and any infographic material.

6.4.3 Disseminate NIR, BTR1, information materials etc.

6.4.4 One (1) workshop for the launching of BTR and to disseminate information at all levels of governance and the public. The workshop will be designed for a wider stakeholder (student and youths) designed to i) enhance public participation and create awareness on climate change issues, ii) promote

information sharing and networking amongst all relevant institutions and stakeholders at national and local levels.

OUTPUT 2: A self-assessment and stocktaking exercise for preparation of subsequent BTRs completed.

Activities under this output will be undertaken within four months after completion of the BTR report. The stocktaking assessment for preparation of subsequent reports under the UNFCCC aims to allow for a smooth transition to subsequent BTR.

A summary of activities and results achieved under the BTR project will be prepared to ensure that the project design of the subsequent BTR project is built upon what has been achieved so as to avoid duplication of work and propose strategies for increasing synergies with related programmes and institutions. This exercise will result in a GEF funding proposal for subsequent BTR, in this case BTR2 to include information on gaps, suggested areas for improvement, stakeholder engagement and institutional arrangements. A qualitative assessment of the state of institutional arrangement capacity for the preparation of BTRs will be undertaken upon completion and submission of the BTR report to the UNFCCC and will be contrasted to the baseline assessment.

The proposed scope of work under this output should be categorized into the following single deliverable:

2.1 Self-assessment and stocktaking report for the preparation of subsequent BTRs.

2.1.1 Conduct self-assessment and stocktaking exercise and prepare GEF funding proposal upon completion and submission of the BTR to UNFCCC.

2.1.2 Undertake a qualitative assessment of the state of institutional arrangement capacity for preparation of BTRs upon completion and submission of the BTR1 to UNFCCC.

Learning and Knowledge Sharing

Results from the programme will be disseminated within and beyond the programme through existing information sharing networks and forums. The programme will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to programme implementation through lessons learned. The programme will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future programmes.

Project Management

In addition to the project component activities presented above with respect to the substantive content of the BTR1, project management activities will also be an essential component of this project.

These project management activities, are as follows:

- Contract a National Technical Coordinator.

- Contract an Administration Assistant.
- Cover costs for Annual financial Audit.

D. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT

This project has been prepared in line with UNFCCC guidance on the preparation of BTRs and is in conformity with Objective 3 of the GEF-7 Climate Mitigation Strategy, which focuses on fostering enabling conditions for mainstreaming mitigation concerns into sustainable development strategies. In accordance with convention guidance, this project is implemented on an agreed full cost basis requiring only in-kind contribution by GEF-eligible countries. The Government of Malaysia, through its National Focal Point (NFP) on climate change has indicated its interest/plans to contribute an in-kind contribution of US\$200,000 through its support on overhead related costs and some aspects of technical work. This in kind/voluntary contribution from the Government of Malaysia towards the project will be reported annually to UNEP when realized.

Having the Ministry of Environment and Water (KASA) as the Executing Agency of the project ensures continuity of **teams/structures established and used for preparation of previous NCs and BURs**. This continuity encourages the EA to build on lessons learnt and good practices from previous processes. As national teams get better in applying the recommended NC and BUR guidelines, human and national institutional capacities become strengthened in due course. Continuous preparation of these reports using established institutions, pools of experts and stakeholders that are actively involved at all levels will increase country ownership and the uptake of project findings at all levels. This will result in formulation of national climate policy & plans that are aligned to the Malaysia's priority sectors and its NDCs under the Paris Agreement.

The second project output will support continuous engagement of climate change structures/units in EAs, as well as stakeholders interested in climate change enabling activities, after completion and submission of reports to the UNFCCC. In the absence of this project, once BTR preparation is completed, teams and the structures created on project basis, will be spread out and may be lost.

The Project will identify synergies with other ongoing projects/programmes listed under Section A to increase cost-effectiveness and enhance consistency with national development priorities and programs, by building upon information, data and results provided under other relevant initiatives.

As Malaysia is also in the process of strengthening its national capacity as the National Focal Point to the UNFCCC, a new structure; the National GHG Centre will be established in early 2023. The activities in this project including the development of any reporting tools and systems will be housed under the Centre and the expertise of key personnel is to be retained. This is to ensure continuous capacity building, institutional memory and to fulfil Malaysia's reporting obligation on climate change as well as to conduct continuous transparency-related activities. The preparation of the BTR and its timing will also coincide with the completion of two important policy documents, namely Malaysia's NDC Roadmap and Malaysia's Long Term Low Emission Development Strategies (both expected to be completed by the end of 2022/early 2023). The BTR activities specifically on the tracking of the

achievement of the NDC will also form as an evidence-based approach of ex-post assessment and to analyse the effectiveness of selected mitigation actions and to recommend modification to the policy actions if needed for the implementation of the NDC. In addition, the key personnel under the project can also fill new technical roles such as data analyst for reporting requirements under Art 6 (methodological issues that countries may have such as reporting Corresponding adjustment) and modellers who will be responsible for monitoring Long-term mitigation targets in the NDC and LT-LEDS. Thus, there is a synergy between new resources (technical, financial capacity and reporting tools/system/platform to be developed) between the BTR project and the post-policies development which leads to cost-effectiveness in many ways.

Certain activities can also be scaled up such as:

- National Inventory Improvement Plan ? to address TACCC principles in the GHG inventory reporting including moving to higher tier is a continuous process in the subsequent reporting;
- Reporting tool/system/platform to track the progress of the implementation of the NDC ? can be improved from time to time. Such development should be tested and improved for better outcome;
- Stakeholder Engagement Plan ? The engagement sessions planned may lead to a more dedicated/focus work on certain critical issues that may raise during these sessions;
- Identification of constraints, gaps and needs in the BTR ? Potential projects can lead to new proposals under the national budget.

E. DESCRIBE, DESCRIBE THE BUDGETED M & E PLAN

The project result framework (Table 6) provides performance and impact indicators for project implementation along with their corresponding means of verification. The project will be monitored through the following M&E activities:

? A Project Inception Workshop at the national level will be held within 2 months of start of project, after the establishment of the Project Management Unit. This will involve all key stakeholders identified during the national consultation process. An Inception Workshop report will be prepared and shared with participants to formalize various agreements and plans decided during the meeting

? Monitoring BTR technical progress against expenditures: The National Technical Coordinator (NTC) will prepare quarterly progress reports and expenditure statements. Technical progress and financial reports shall be reviewed by the UNEP Task Manager and Fund Management Officer.

? Report to the GEF and COP of UNFCCC: As part of annual reporting routine, UNEP will continue to prepare and submit to the GEF annual report on UNEPs support for the preparation of NCs and BURs/BTRs which will include the status of implementation of the BTR project.

? Project Implementation Review (PIR) report: The BTR project progress will be reported through PIR reports which is conducted annually as part of reporting routine.

? Project Annual and final financial audit will be undertaken to assess probity (i.e. correctness, integrity etc.) of expenditure and transactions.

? Co-financing report: the in-kind/voluntary contribution towards the BTR project will be reported annually to UNEP when realized.

? Annual Inventory of Non-expendable equipment: The Executing Agency shall maintain complete and accurate records of non-expendable equipment purchased with GEF project funds and shall provide UNEP annually with the inventory of such non-expendable equipment as of 31 December, to be submitted within 2 months.

During the last two months, the PMG will prepare a comprehensive final report. The final report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Table 5 Detailed monitoring and evaluation workplan.

Type of M&E activity	Responsible Parties	Time Frame
Project Inception Workshop (PIW)	National Project Management Group, Technical Expert Groups and UNEP Task Manager to raise awareness, build stakeholder engagement and detailed work planning	Within 2 months of project start-up and establishment of the project management unit
Project Inception Report	National Technical Coordinator (NTC) & UNEP Task Manager	Not more than 1 month after the Project Inception Workshop
Quarterly Progress Reports	National Project Management Group	Four (4) quarterly technical progress reports for any given year, submitted by January 31, April 30, July 31 and October 31 (latest) and at the end of the project implementation
Quarterly expenditure reports	National Project Management Group	Four (4) quarterly expenditure reports for any given year, submitted by January 31, April 30, July 31 and October 31 (latest) and at the end of the project implementation

Type of M&E activity	Responsible Parties	Time Frame
Project Implementation Review (PIR) report	Executing Agency (National Technical Coordinator (NTC)) and UNEP (Task Manager)	Annually, part of reporting routine
Report to the GEF and COP of UNFCCC	Executing Agency (National Technical Coordinator (NTC)) and UNEP (Task Manager)	Annually, part of reporting routine
Co-financing report	Executing Agency (National Technical Coordinator (NTC)) and co-finance partners	Annually, on or before 31 July
Annual Inventory of Non-expendable equipment	Executing Agency (National Technical Coordinator (NTC)) and co-finance partners	Annually, as of 31 December of each year, to be submitted within 2 months
UNEP Final Report	Executing Agency (National Technical Coordinator (NTC))	Within 2 months of the project completion date

The project result framework (**Table 6**) provides performance and impact indicators for project implementation along with their corresponding means of verification.

Table 6 Project Result Framework (PRF)

	Indicators	Baseline/End of Project Targets	Means of Verification	Assumptions and Risks

	Indicators	Baseline/End of Project Targets	Means of Verification	Assumptions and Risks
<p>Project Objective:</p> <p>To support the Malaysia to Prepare and submit its First Biennial Transparency Report that comply with the United Nations Framework Convention on Climate Change (UNFCCC) reporting requirements and responds to national development goals.</p>	<p>Malaysia prepares and submits BTR1 that comply with the UNFCCC and Paris Agreement reporting requirements and responds to national development goals.</p>	<p><u>Baseline:</u> 0</p> <p><u>BTR1 Target:</u> completed by December 31, 2024</p>	<ul style="list-style-type: none"> - BTR1 posted on the UNFCCC website - UNFCCC and Paris Agreement reporting requirements - Strengthened National system for climate reporting National Development and climate planning Strategies 	<ul style="list-style-type: none"> - Adequate political commitment and institutional support for BTR preparation exist
<p>Project Component 1: Preparation of Malaysia's BTR1</p>				

	Indicators	Baseline/End of Project Targets	Means of Verification	Assumptions and Risks
Outcome 1: Malaysia update tools and approaches to meet its BTR1 reporting requirements under the UNFCCC and Paris Agreement, and respond to national development goals	BTR1 which meet the Convention's reporting requirements prepared and submitted to the UNFCCC	<p><u>Baseline:</u> 0</p> <p><u>End Term Targets:</u></p> <ul style="list-style-type: none"> - BTR1 completed by 31 December 2024 	<ul style="list-style-type: none"> - Annual reporting to UNEP. - Annual reports to the COP on the preparation of reports. - BTR1 report posted on the UNFCCC website. - Annual progress reporting by Malaysia to UNEP 	<ul style="list-style-type: none"> - BTR preparation is considered a priority in the participating country - Strong political or institutional commitment to the BTR process - There will be no delays in the national political endorsement processes after the technical completion of these reports to guarantee timely submission of reports to the UNFCCC

	Indicators	Baseline/End of Project Targets	Means of Verification	Assumptions and Risks
	Malaysia undertakes stocktaking assessment and institutional arrangement for preparation of subsequent reports under the UNFCCC	<p><u>Baseline:</u> 0</p> <p><u>End Term Target:</u></p> <ul style="list-style-type: none"> - Malaysia completes the self-assessment report by the time of project closure. - Malaysia submit a GEF funding proposal for the subsequent report/BTR2 by the time of project closure 	<ul style="list-style-type: none"> - Guidelines for BTR stocktaking and self-assessment report preparation. - BTR2 GEF funding proposal completed by the time of project closure - Final qualitative assessment on human and institutional capacities for NCs and BTRs reporting 	<ul style="list-style-type: none"> - The strong commitment of the national team to engage stakeholders of high competence and expertise - Stakeholders? willingness to participate in the BTR process - Adequate political support to strengthen and/or establish an appropriate institutional arrangement for BTR preparation - Interpretation of result and final rating will not be biased

F. EXPLAIN THE DEVIATIONS FROM TYPICAL COST RANGES (WHERE APPLICABLE)

Not Applicable to the preparation of the BTR project

Part III: Approval/Endorsement By GEF Operational Focal Point(S) And GEF Agency(ies)

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

Focal Point Name	Focal Point Title	Ministry	Signed Date
Noor Afifah Abdul Razak	Deputy Secretary General (Environment)	Ministry of Environment and Water	3/25/2022

B. Convention Participation

Convention	Date of Ratification/Accession	National Focal Point
UNFCCC	7/13/1994	Dr. Sugumari Shanmugam

ANNEX A: Project Budget Table

Please attach a project budget table.

Expenditure Category	Detailed Description	Component (USD)				Total (USD)	Responsible Entity (Executing Entity receiving funds from the GEF Agency)
		Component 1		Sub-Total	P M C		
		Output 1	Output 2				

<p>Contractual Services ?Individual</p>	<p>Contractual Services for national experts who will support the implementation of activities and review of draft reports in assigned thematic areas including (i) National Inventory Report of GHG; (ii) Information on NDC tracking under Article 4 of the Paris Agreement;(iii) Information on financial, technology development and transfer and capacity-building support provided and mobilized under Articles 9?11 of the Paris Agreement, including information on gender analysis and Compilation of BTR1. (Annex A).</p> <p>The experts/consultants will be recruited/engaged by the Ministry of Environment and Water (KASA) and will work closely with the project management unit</p>	<p>279,150</p>	<p>-</p>	<p>279,150</p>	<p>-</p>	<p>279,150</p>	<p>Ministry of Environment and Water (KASA)</p>
<p>Contractual Services ?Individual</p>	<p>Salary costs of the National Technical Coordinator; Administrative Assistant. (Annex A)</p>	<p>28,207</p>	<p>-</p>	<p>28,207</p>	<p>63,773</p>	<p>91,980</p>	<p>Ministry of Environment and Water (KASA)</p>

International Consultants	International External Reviewer for Greenhouse Gas Inventory- Agriculture, Forestry and Other Land Use (AFOLU) Sector for Malaysia First Biennial Transparency Report to the UNFCCC	6,000		6,000		6,000	Ministry of Environment and Water (KASA)
International Consultants	International Modeling Experts for Waste, IPPU, Energy and AFOLU	220,000		220,000		220,000	Ministry of Environment and Water (KASA)
Local Consultants	Costs related to supporting a self-assessment and stocktaking exercise; and preparation of a GEF funding proposal for subsequent BTR	-	15,000	15,000	-	15,000	Ministry of Environment and Water (KASA)
Trainings, Workshops, Meetings	Costs related to Knowledge Management activities (e.g. organizing trainings, capacity building workshops, public meetings, awareness raising and education of different groups of peoples etc.) relevant to BTR1 project and specific thematic areas such as GHG inventory, NDC tracking; and cross cutting issues including gender etc.	66,500	-	66,500	-	66,500	Ministry of Environment and Water (KASA)
Trainings, Workshops, Meetings	Project launch workshop for the BTR1 project	970	-	970	-	970	Ministry of Environment and Water (KASA)

Trainings, Workshops, Meetings	Workshops to review, validate and present draft sectoral reports, NIR and BTR1 to all interested partners and relevant stakeholders, policy makers etc	22,000	-	22,000	-	22,000	Ministry of Environment and Water (KASA)
Travel	Travel expenses related to implementation of project activities	64,000	-	64,000	-	64,000	Ministry of Environment and Water (KASA)
Office Supplies	Supply costs for various office expenses related to project implementation (e.g.: stationery)		-	-	-	-	Ministry of Environment and Water (KASA)
Equipment	Five (5) laptops and other IT equipment for workshops	8,100	-	8,100		8,100	Ministry of Environment and Water (KASA)
Other Operating Costs	Design, publication, printing and translations of NIR, BTR1 and other communication materials to support knowledge management	2,500	-	2,500	-	2,500	Ministry of Environment and Water (KASA)
Other Operating Costs	Operating costs including communication costs	300	-	300		300	Ministry of Environment and Water (KASA)
Other Operating Costs	Financial audits		-	-	7,500	7,500	Ministry of Environment and Water (KASA)
Grand Total		697,727	15,000	712,727	71,273	784,000	

Below is an extract of Safeguard Risk Identification Form (SRIF) clearance, the complete checklist is available in Annex C of the attached project document.

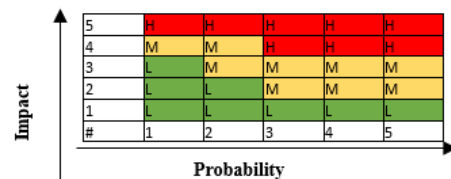
Summary of the Safeguards Risk Triggered

Safeguard Standards Triggered by the Project	Impact of Risk ¹ (1-5)	Probability of Risk (1-5)	Significance of Risk (L, M, H) <i>Please refer to the matrix below</i>
SS 1: Biodiversity, Ecosystems and Sustainable Natural Resource Management	1	1	L
SS 2: Climate Change and Disaster Risks	1	1	L
SS 3: Pollution Prevention and Resource Efficiency	1	1	L
SS 4: Community Health, Safety and Security	1	1	L
SS 5: Cultural Heritage	1	1	L
SS 6: Displacement and Involuntary Resettlement	1	1	L
SS 7: Indigenous Peoples	1	1	L
SS 8: Labor and working conditions	1	1	L

ESS Risk Level² -

Refer to the UNEP ESSF (Chapter IV) and the UNEP's ESSF Guidelines.

- Low risk
- Moderate risk
- High risk
- Additional information required



Development of SRIF and Screening Decision

Prepared by

Name: Camila Piviali

Date: 21 March 2022

Screening review by

Name: Alexandra Mutungi

Date: 01 April 2022

Cleared³

Safeguard Review Summary (by the safeguard team)

This is a low-risk project. However, guiding principles-human rights, accountability, resilience and sustainability and leave no one behind - are still applicable to this project.

Safeguard Recommendations (by the safeguard team)

No specific safeguard action required

Take Good Practice approach⁴

Carry out further assessments (e.g., site visits, experts' inputs, consult affected communities, etc.)

Carry out impact assessments (by relevant experts) in the risk areas and develop management framework/plan

Consult Safeguards Advisor early during the full project development phase

Other _____

Refer to UNEP Environmental and Social Sustainability Framework (ESSF): Implementation Guidance Note to assign values to the Impact of Risk and the Probability of Risk to determine the overall significance of Risk (Low, Moderate or High).

Low risk: Negative impacts minimal or negligible: no further study or impact management required.

Moderate risk: Potential negative impacts, but limited in scale, not unprecedented or irreversible and generally limited to programme/project area; impacts amenable to management using standard mitigation measures; limited environmental or social analysis may be required to develop an Environmental and Social Management Plan (ESMP). Straightforward application of good practice may be sufficient without additional study.

High risk: Potential for significant negative impacts (e.g. irreversible, unprecedented, cumulative, significant stakeholder concerns); Environmental and Social Impact Assessment (ESIA) (or Strategic Environmental and Social Assessment (SESA)) including a full impact assessment may be required, followed by an effective comprehensive safeguard management plan.

This is signed only for the full projects latest by the PRC time.

Good practice approach: For most low-moderate risk projects, good practice approach may be sufficient. In that case, no separate management plan is necessary. Instead, the project document demonstrates safeguard management approach in the project activities, budget, risks management, stakeholder engagement or/and monitoring segments of the project document to avoid or minimize the identified potential risks without preparing a separate safeguard management plan.