

China Capacity Building for Enhanced Transparency Phase I

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10227

Countries

China

Project Name

China Capacity Building for Enhanced Transparency Phase I

Agencies

FECO

Date received by PM

5/27/2020

Review completed by PM

12/16/2020

Program Manager

Milena Vasquez

Focal Area

Climate Change

Project Type

MSP

PIF ☐

CEO Endorsement ☐

Part I – Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

6/24/2020: The project remains aligned with the CCM focal area strategy. However, please fill in the "Focal area outcome" description in Table A. It should read: Foster enabling conditions for mainstreaming mitigation concerns into sustainable development strategies through capacity building initiative for transparency.

11/17/2020: Comment cleared.

Agency Response the "Focal area outcome" has been filled.

Project description summary

2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request

6/24/2020: The project structure is appropriate to achieve the expected outcome and outputs as in Table B. However, usually at CEO endorsement the agency includes a table showing the changes from PIF approval to CEO endorsement to Table B, in terms of the number and language of components/outcomes/outputs and in terms of the amounts assigned for each component. As there are some minor changes from PIF approval with regards to the amounts allocated to each component, please add a table summarizing these changes with a short explanation.

11/17/2020: Table has been included - this comment cleared.

On Table B, Component #5 is missing the Output(s). Please add specific output here (and in the budget and results framework).

12/16/2020: Comment cleared.

Agency Response

The project document did update and improve the project design to align with domestic and international transparency-related new requirements and recent work progress. A description and a table summarizing the changes from PIF has been added in the beginning of project description (1a.)

12/16/2020: The output has been added to the Component 5 and other relevant content and Annexes.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Co-financing of \$1,437,000 is confirmed from the government and a translation has been provided. An explanation for how investment mobilized was identified has been provided. However, we note that the letter did not describe the division of the total co-financing amount into \$527,00 in-kind and \$910,000 in cash. If possible, it would be help to have additional evidence of this distinction.

11/17/2020: Thank you for the additional explanation provided on the investment mobilized. However, we require the co-financing letter to provide stipulate how much will be provided in grant or in kind. Please submit an amended letter with this information clarified (and translation).

12/16/2020: Updated co-financing letter has been uploaded stipulating how much will be in-kind and in grant. Comment cleared.

Agency Response

Further and more detailed information about the co-financing projects have been provided in the co-financing section.

12/16/2020: The supplement co-financing letter have been provided and it stipulate how much will be provided in grant or in kind.

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request 6/24/2020: Yes, the financing in Table D is adequate. Comment cleared.

Agency Response

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request 6/24/2020: PPG funds have not been utilized to date as FECO is currently under assessment and cannot disburse any funds. However, per GEF policy, these fund can be used within a year after CEO endorsement in eligible activities, after which any unspent funds must be returned. Comment cleared at this stage.

Agency Response

Core indicators

7. Are there changes/ adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Targets for core indicator 11 have been provided. However, for CBIT projects we also expect the following qualitative indicators to be tracked with a baseline assessment at CEO endorsement and targets for the project. Please see below and review the CBIT Programming Directions for more information (Annex 3 and 4: https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.50.06_CBIT_Programming_Directions.pdf). These can be integrated into the project's results framework or submitted separately by using the GEF-6 CBIT Tracking Tool (<https://www.thegef.org/documents/gef-cbit-tracking-tool-gef-6>).

Quality of MRV Systems (1-10): provide details of coverage of MRV systems - area, type of activity for which MRV is done, and of Reporting and Verification processes. Baseline indicates current status (pre-project), Target is the rating level that is expected to be achieved due to project support.

Qualitative assessment of institutional capacity for transparency-related activities (1-4): CBIT projects will monitor an additional indicator for qualitative assessment of institutional capacity built for transparency-related activities under Article 13 of the Paris Agreement. Baseline indicates current status (pre-project), Target is the rating level that is expected to be achieved due to project support.

11/17/2020: Comment cleared.

Agency Response The CBIT indicators mentioned below have been provided in the Core Indicators section of the Portal, and have been added in Project Documents separately by using the GEF-6 CBIT Tracking Tool (Annex I of PD)

Part II – Project Justification

1. Is there a sufficient elaboration on how the global environmental/ adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, the root causes and barriers are well elaborated. Comment cleared.

Agency Response

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, the baseline scenario is well elaborated. Comment cleared.

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

6/24/2020: The alternative scenario is described quite clearly. However, we note that there are no specific activities relating to how the project will ensure knowledge sharing, south-south cooperation and participation in the CBIT Global Coordination Platform. While references are made to these activities, they do not seem to be part of the expected outputs and thus it is likely that budget has not been allocated to them. Please clarify.

11/17/2020: Comment cleared.

Agency Response The knowledge sharing activities and more information have been provided in Item 8 (knowledge management) and Table 4 (Comparison between the baseline scenario and the alternative scenario) which is in the incremental reasoning section.

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, additional elaboration on how the project will support China to fulfill the requirements of the enhanced transparency framework of the Paris Agreement, how it will drive comprehensive capacity building at the enterprise, municipal, provincial and national levels, and how the enhanced transparency of NDC implementation will contribute to domestic decision-making on climate change is provided. Comment cleared.

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

6/24/2020: The incremental reasoning of the project is clearly described. However, additional description of how the co-financing will support the project in conjunction with the GEF funding is missing. Please provide in this section a short explanation, including details on the contributions from the grid factor project, reporting platform for enterprises, and projects for the agriculture sector as identified under investment mobilized.

11/17/2020: Comment cleared.

Agency Response The co-financing projects will support methodology development, database integration and transparency-related institutional design of CBIT project. (This sentence has been added in the section of 1a. 5) the incremental reasoning section.) More details of how each co-financing project will contribute the CBIT project could be found in the description of co-financing projects under the Co-Financing section of Part I.

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, this section is further elaborated. Comment cleared.

Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, this section provides adequate details as to how the project will be innovative, sustainable and has potential for scale up. Comment cleared.

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

6/24/2020: This is a national capacity building project. Comment cleared.

Agency Response

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Please add additional information in the stakeholders table provided as to how private sector entities and CSOs were engaged during project identification/preparation, also provide more specific information with respect to the CSOs that will participate in the project.

11/17/2020: Comment cleared.

Agency Response Additional relevant information has been added in the stakeholders section, including table 5.

Gender Equality and Women's Empowerment

**Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities?
If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?**

Secretariat Comment at CEO Endorsement Request

6/24/2020: A gender analysis has been provided which described gender-responsive activities and indicators. Comment cleared.

Agency Response

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request

6/24/2020: This project will engage with the private sector under component 3. Please provide additional information as to the coverage of this involvement (sectors, number of enterprises, size, etc.).

11/17/2020: Comment cleared.

Agency Response Information of the private sector engagement coverage has been added in component 3 (the end of output 3.2) and in the Private Sector Engagement section.

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Risks have been assessed. Please add potential climate change risks to the table.

11/17/2020: Comment cleared.

Agency Response The potential climate change risks have been added into the table.

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

6/24/2020: The institutional arrangements are well described, however, we found a minor mistake with regards to the terminology used. Per the GEF terminology, FECO is the implementing agency while CRAES is the executing agency. Please revise this section to clarify this (the activities and framework provided are correct, it is just the wording used for each of these).

11/17/2020: Comment cleared.

Agency Response The wording mistake has been revised.

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, this project is aligned with China's NDC and National Plan on Climate Change. Comment cleared.

Agency Response
Knowledge Management

Is the proposed “Knowledge Management Approach” for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

6/24/2020: This section is well elaborated and key deliverable are described. However, there are no timelines provided for these. In addition, per the comment above related to the Global Coordination Platform, it is not clear that budgets have been allocated to these activities beyond the project outputs that are referenced in this section. Please provide additional details.

11/17/2020: Comment cleared.

Agency Response This section has been updated with additional details and a new table (table 7) in which the budget and timeline for “knowledge management approach” is shown. Specific timeline and budget could be referred to the Annex B and Annex C of the Project Document which is submitted.

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at CEO Endorsement Request

6/24/2020: This section is missing. Please provide information regarding the relevant Environmental and Social Risks and Impacts associated with the proposed project, and associated measures to address such risks and impacts, including any environmental and social assessments carried out, and any Environmental and Social Management Plans or the equivalent, and properly fill out the section on the portal.

11/17/2020: Comment cleared.

Agency Response The information regarding the potential environmental and social risks has been supplemented in Article 5 (Risks), and the relevant supporting documents is attached in the Annex D of the project document.

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

6/24/2020: A detailed M&E plan is provided. We note that financial audits should be paid by the Project Management Cost (PMC) and not by the M&E budget. Please remove from the table and fix the budgets appropriately.

11/17/2020: This has been clarified in the budget table. However, audits are still appearing in the M&E budget section (Table 7) and seem to be part of the \$15,000 budgeted. Please remove from that table and ensure that the budget shown in Table 7 matches with what is presented in the overall budget table for M&E activities.

12/16/2020: Comment cleared.

Agency Response

The M&E budget has been updated appropriately in the M&E section, as well as the project budget table as an Annex of the project document.

12/16/2020: Audits have been removed from the M&E budget section (Table 7) .

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

6/24/2020: Yes, these are elaborated. Comment cleared.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

6/24/2020: We note that there is no Project Document submitted. A Project Document that is in a form as submitted to the Agency's internal approving authorities should be submitted alongside the CEO endorsement request. This usually includes additional details such as a budget, a detailed workplan, draft terms of references, etc. that have to be reviewed as well. Please submit.

11/17/2020: Comment cleared.

Agency Response The Project Document which has been updated according to the comments from GEF has been submitted.

Project Results Framework

Secretariat Comment at CEO Endorsement Request

6/24/2020: Project results framework is provided. See comment above regarding the missing CBIT-specific indicators.

11/17/2020: Comment cleared.

Agency Response The qualitative indicators regarding CBIT have been provided in the Core Indicators section of the Portal, and have been added in Project Documents separately by using the GEF-6 CBIT Tracking Tool (Annex I of PD).

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request 6/24/2020: Cleared. See above under PPG section.

Agency Response
Calendar of expected reflows (if NGI is used)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response
Project maps and coordinates

Secretariat Comment at CEO Endorsement Request 6/24/2020: Cleared. See above on project coordinates.

Agency Response
Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at CEO Endorsement Request
N/A
Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

6/24/2020: Not yet. Please address comments.

11/17/2020: Please address remaining comments. In addition, in the Project Budget Table please add more details to the "contractual services" and "consulting service" listed under each GEF Output to help us review the budget.

The indicative project budget should present a clear distinction between: i) PMC activities, ii) Monitoring and Evaluation activities and iii) project activities ("project budget"). If project staff are charged to both PMC and project components (i.e. not only to PMC), clear Terms of Reference describing unique outputs linked to the respective components are required at the time of CEO Endorsement/Approval, for review by the Secretariat.

12/18/2020: All remaining comments have been addressed. However, we require an updated Project document that matches the information presented in the Portal (in particular the budget and budget notes).

12/18/2020: Updated Project Document has been uploaded. PM recommends clearance and CEO endorsement.

Review Dates

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

First Review

6/24/2020

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Additional Review (as necessary)	11/17/2020	
Additional Review (as necessary)	12/18/2020	
Additional Review (as necessary)	12/18/2020	
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations

The objective of the CBIT project is to identify the capacity building needs of national GHG emission data management and transparency regime, to carry out the study of methodology, institution design, data system application and capacity-building training at national, local and enterprise levels, and to improve the integrated management of the national platform for GHG information and emissions data, so as to better support the implementation of the national low-carbon development objectives and of the Paris Agreement.

China's greenhouse gas (GHG) emissions occupy the largest share (37%) of the total GHG emissions in 151 Non-Annex 1 countries to the UNFCCC, therefore its effort to enhance national transparency system will have a great impact on the establishment of the enhanced transparency framework under the Paris Agreement.

China has invested in the development of transparency mechanisms and systems. However, China's capacity building is a prolonged task as its largest population and enormous emissions complicate statistical data and information collection, requiring engagement of multiple stakeholders. In this aspect, this CBIT project contributes to; 1) better help China to fulfill the commitment under the Paris Agreement, 2) drive all-round capacity building at national, local and enterprise level and 3) better learn from and communicate with international experiences.

An improved GHG basic statistical and accounting system in China will exert a very important impact on the world. First, further capacity building on GHG inventory preparation and development on country-specific emission factors will improve the frequency, completeness and accuracy of its inventory reports, which helps to better identify mitigation potentials. Second, it will help China prioritize actions by assessing the effect of different mitigation measures, so as to better

support the policy making process. Third, publishing information about GHG inventories and progress towards NDC's transparency in China will facilitate the dissemination of mitigation actions and effects to the international community and bolster understanding and mutual trust among parties. Fourth, China will set a model of demonstration significance for other developing countries.

This project is comprised of the following project components and outcomes:

Component 1: Transparency-related institutional research and capacity building at national level;

Component 2: Transparency related institutional research and capacity building at local level;

Component 3: Transparency related institution research and capacity building at enterprise level;

Component 4: Improve integration of existing transparency related databases;

Component 5: Project monitoring and evaluation.