

FACSIMILE TRANSMISSION



United Nations Development Programme
GLOBAL ENVIRONMENT FACILITY (GEF)



To: Mr. Avani Vaish
GEF

Date: 17 July 1997

Fax: 202-522-3240

Pages: 17 (including this sheet)

From: Richard Hosier
Principal Technical Adviser
Climate Change

Subject: Submission of revised enabling activity proposals -

Avani:

Attached please find the revised version of the Antigua/Barbuda proposal. In response to your comments on the earlier version, we have made the following changes:

- 1) Estimated Starting Date: Changed to August 1997.
- 2) Executing Agency: Ministry of Planning with assistance from Ministry of Tourism, etc.
- 3) Agriculture is both the second largest employer and employs between 10 and 11 percent of the labour force. The service sector employs roughly 80% of the labour force (tourism). I think that the references have been made consistent.
- 4) We have added references to the UNEP/GEF study and would ask that you also note that this project is making no request for money for V&A, until the GEF categories 3a) and 3b) (nb: we are using the hybrid format based upon the combination categories).
- 5) We have reduced the size of the inventory request slightly, but know that we will get all of us into hot water if we reduce it further. The activity has been planned around three workshops, all of which will require assistance from outside consultant (s). As a result of the insistence on national participation, the budgetary amount for this activity still remains higher than the geographical size might lead one to believe is necessary. If

you have more questions on this please call me.

6) The reference to translation is a standard line in all of the EA's--it just looks different in this one because of the type-set. (A/B is part of the English-speaking Caribbean).

7) We have done what we could to incorporate the UNEP comments.

Please call me if there are any further questions or problems with this one. I fear that it has taken us far too long to get this through.

**UNITED NATIONS DEVELOPMENT PROGRAMME
GLOBAL ENVIRONMENT FACILITY**

Proposal for Review

Country: Antigua and Barbuda

Project Title: Enabling Antigua and Barbuda to Prepare its First National Communication in Response to its Commitments to the UNFCCC

GEF Focal Area: Climate Change

Country Eligibility: Eligible under financial mechanism of the UNFCCC
 Eligible under paragraph 9 (b) of the Instrument

Date of Ratification: February 2, 1993

Total Costs: US \$ 161,500

GEF Financing: US \$ 161,500

Counterpart Financing: n.a.

GEF Implementing Agency: UNDP

Executing Agency: The Government of Antigua, Ministry of Planning

Local Counterpart Agency: Ministry of Tourism, Culture and Environment

Estimated Starting Date: August 1997

Project Duration: 18 months

Background and Project Context.

Antigua and Barbuda are Caribbean islands, located between the Caribbean Sea and the North Atlantic Ocean, east-southeast of Puerto Rico. With its uninhabited dependency of Redonda, its total land area is 440 km². The country maintains 12 nm of territorial sea and an exclusive economic zone of 200 nm.

The climate in the islands is tropical marine, with little seasonal temperature variation. The terrain is, for the most part, low-lying limestone and coral islands with some higher volcanic areas. The country relies heavily on its environmental assets, -coasts, beaches, and benign climate, as other natural resources are very limited.

There are approximately 65,200 people in Antigua and Barbuda. It has a ratio of 4.9 migrants/1000 native-born inhabitants. The population is growing at approximately 0.68% per annum. (1995 est.)

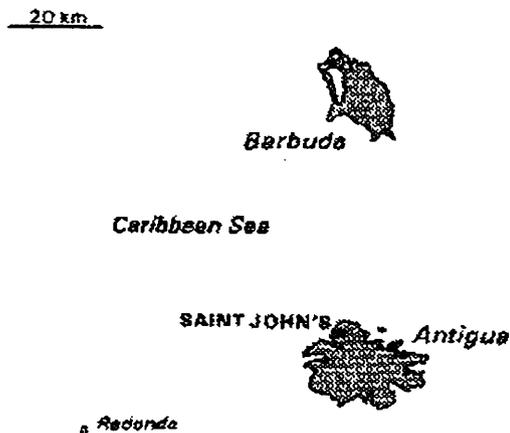
The Economy

The economy is primarily service oriented, with tourism the most important determinant of economic performance. In 1993, tourism made a direct contribution to GDP of about 17%, and also spurred growth in other sectors such as construction and transportation. Tourist arrivals remained strong in 1994. While only accounting for roughly 5% of GDP in 1993, agricultural production is the second largest employer. Per capita income is estimated at US\$6000/yr (1993), and the inflation rate was 7%. The labor force is estimated at 30,000 people with an unemployment rate of 6%. Commerce and services employ 82% of the labor force, agriculture 11%, and industry 7% (1983).

Antigua and Barbuda receive foreign exchange from five sources: exports, tourism, remittances from Antiguans and Barbudans working abroad, foreign investment and bilateral and multilateral government and bank loans.

Tourism

The 1980's represent a turning point in the maturation of Antigua and Barbuda's tourist industry with increases in cruise visits, stay overs, and hotel bookings reflected a consolidation of the industry. However, Hurricane Hugo caused enough damage to cause a drop in the arrivals for a year. Ocean erosion, sea level rise and severe weather are of great concern to this sector.



Agriculture and Fisheries.

In the 1960's agriculture contributed 20% to GDP and employed one third of the workforce. Today, it accounts for 5% and employs only ten percent of the workforce. The sugar cane industry collapsed in the 1960's. The government has attempted to support policies for crop and livestock diversification aimed at the domestic market, but its success has been limited by labor scarcity, uneconomic farm size, inadequate rainfall and other adverse weather conditions. Other limitations in marketing, land-lease arrangements and poor land management practices further curtail the opportunities for the sector. 18% of the country is arable land, 7% meadows and pastures; 16% forest and woodland, while the remaining 59% has other uses. Permanent crops represent less than 1%.

Fish and lobster landings also contribute to the local economy. Difficulties in managing an appropriate catch have generated sub-optimal performance in the sector, possibly due to over-fishing or inadequate techniques.

Environment

Antigua and Barbuda is very aware of the interdependence between the environment and the people's well-being. Current concerns range from water management to coral reef protection. Water management is a major concern because of the limited freshwater resources on the islands. As agriculture and deforestation increase, rainfall runoff increases. The clearing of trees also places added pressure on the country's threatened biological diversity.

Coral reefs are of vital economic and environmental importance to Antigua and Barbuda. This invaluable resource is at risk due to human induced changes in the environment.

Energy

The main sources of commercial energy in Antigua and Barbuda are petroleum and biomass. About 1,000,000 barrels of petroleum are used each year for power, transportation and cooking. Another million barrels is used by the airline industry. Antigua has no known oil reserves. All fuel is imported.

There are currently two applications of renewable energies: solar water heaters and charcoal. Solar water heaters have had some success in Antigua. Along with water pumps, desalination plants and crop dryers, water heaters were introduced in the 1980's, but have enjoyed more acceptance from users. Fuelwood is important as a domestic fuel source in the production of charcoal. Some estimates state that 20% of the households rely on charcoal, and up to 75% use it as a back up fuel. This renewable resource employs around 100 people which produce 1200 tons of charcoal per year.

The country has an installed capacity of 20,000 kW run by the Antigua Public Utilities Authority

(APUA). The same agency runs a 600 kW plant in Barbuda. APUA provides power through three generating stations which consume bunker C fuel oil and diesel oil.

Prior, Ongoing and Planned Projects Related to Climate Change

APUA is experiencing a 10% growth in demand. Like most utilities, it is exploring expansion plans that may lead to the least cost to consumers. At present, the company is requesting support for assistance in identifying wind generation options, as well as other technical, financial and administrative information which may make renewable energy opportunities an option for the company.

Institutional Framework and Previous Initiatives Related to Climate Change.

The *Caribbean: Planning for Adaptation to Global Climate Change (CPACC)* is a four-year Global Environment Facility (GEF) funded regional project implemented by the World Bank and executed by the Organization of American States (OAS). This project will support CARICOM countries which are Parties to the United Nations Framework Convention on Climate Change (UNFCCC). It is designed to increase national and regional planning resources and skills for adapting to the effects of global climate change on coastal and marine resources. It is anticipated that this exercise would also assist in building the capacities of coastal management institutions.

Antigua and Barbuda is responsible for the execution of a component entitled *Economic and Regulatory Proposals*. The purpose of this component is to test the use of economic instruments to encourage sustainable development of coastal areas.

The Government of Antigua and Barbuda (GOAB) is presently involved in a UNEP/GEF sponsored Climate Change Impact Assessment and Adaptation Country Study Project. The project is aimed at strengthening national capabilities for evaluating possible impacts of climate change, developing adaptation responses, preparing a report on climate change impact assessment and adaptation for Antigua and Barbuda, and providing recommendations to UNEP on improvements to its draft Methodological Handbook based on experiences from the Antigua and Barbuda study.

The UNEP/GEF/GOAB Country Study will strengthen Antigua and Barbuda's ability to meet its commitments under UNFCCC by providing an assessment of likely impacts on the country's natural resources and socio-economic sectors, as well as providing adaptation responses. The project will also compliment the CPACC project by providing pilot study information on climate change impacts and adaptation in the Caribbean.

There is no duplication between the UNEP/GEF project and the UNFCCC Enabling Activities Proposal. No funds are requested for vulnerability assessment or adaptation in this proposal.

Executing Agency: Ministry of Planning

In Antigua and Barbuda a number of Government agencies are responsible for the administration of its energy, environment and natural resources. An important constraint to effective management of these issues has been the absence of a mechanism to facilitate integrated planning and improved communication among these agencies. Table 1 includes the institutions currently involved in climate change-related efforts.

Table 1
Government Offices Responsible for Climate Change Activities

	Office	Responsibility
1	Office of the Prime Minister	Governance
2	Ministry of Agriculture, Development Control Authority; Caribbean Agricultural Research and Development Institute	Forestry, Agriculture, Land Use
3	Ministry of Planning	Coordinates UNEP/GEF Project
4	Ministry of Public Utilities, Transportation and Energy; Transport Board; Antigua Public Utilities Authority; Oil Companies	Energy
5	Ministry of Tourism and Environment	Environment
6	Office of Meteorology	Climate
7	Ministry of Finance, Department of Statistics	Energy Information

To ensure inter-agency coordination, the Government of Antigua and Barbuda will work with the UNDP office through the Permanent Secretary of the Office of the Prime Ministry.

Recognizing scale efficiencies and the necessity to build the capacities of the existing offices, the Government has designated the Ministry of Planning as the agency responsible for the implementation of the activities involved in the Preparation of the First National Communication on Climate Change.

Project Objective

The immediate objective of the project is to facilitate the preparation of the first national communication of Antigua and Barbuda to the Conference of the Parties (CoP) in accordance with the Article 12 of the UN Framework Convention on Climate Change.

Besides meeting the communication obligations, the project can be seen as an essential exercise to enhance general awareness and knowledge of climate change-related issues in Antigua and Barbuda, thus enabling it to take those issues into account in general planning and strategy formulation for different economic and technical sectors, and also to strengthen its role in international scientific fora and negotiation processes related to climate change. A part of this task is to facilitate dialogue, information exchange and cooperation among all the relevant players in the field, including governmental, non-governmental, academic, private and "grassroots" sectors.

The project will strengthen Antigua and Barbuda's institutional framework and build endogenous capacity for fulfilment of eventual additional communication obligations, and for further

development and implementation of identified response measures addressing climate change and its adverse impacts.

PROJECT DESCRIPTION

During project preparation the following components were identified to respond to the objectives of the project and to implement the project successfully:

1. Organize the work by consolidating the Project Steering Committee, and by organizing a project initiation workshop with participants from all the relevant sectors to present the objectives of the project, to clarify links to other relevant ongoing national and international activities, and to clarify information requirements, institutional coordination and other practical arrangements to facilitate successful implementation of the project.

The Enabling Activities will be managed by Mr. Brian Challenger, who is also the Project Manager for the CPACC project. The Steering Committee will work with the Project Manager to achieve the established objectives.

2. Generate a project time line describing all of the steps in the project in full detail, integrating the components described in this proposal with other Climate Change efforts in the country or abroad.
3. Strengthen the links to both national and international sources of information, and eventually establish an information center/network with adequate equipment and personnel to facilitate an effective exchange of information between the participating institutions at the national level, as well as to assist them in gaining internationally available information on climate change related issues (e.g., from the United States Country Studies Program and other bilateral programs, UNEP, IPCC, CC: TRAIN, international research institutes, ongoing enabling activities in other countries etc.). The potential to use Internet/World Wide Web is evaluated and, to the extent feasible, will be used to save travel costs and enhance the geographical coverage of available information. It is foreseen that the network will continue to operate also after the project, thus permitting interested parties in Antigua and Barbuda to learn about other national or international activities, and also allowing interested individuals and institutions outside the country to get information on ongoing, planned or finalized climate change related activities in Antigua and Barbuda. In this context, the project will cooperate with the UNFCCC Secretariat's CC: INFO/Web initiative.
4. Organize and undertake a national inventory of anthropogenic emissions by sources and removals by sinks of the following greenhouse gases: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), to the extent the Party's capacities permit. Other greenhouse gases may be included at the discretion of the Parties. The guidelines and simplified default methodologies adopted by the IPCC should be used to the extent

possible, and the best available data should be provided, being either for the year 1994 or alternatively for the year 1990. A two part workshop will be executed under the direction of an expert. The first workshop will concentrate on methodological aspects so local technicians may undertake the calculations. A second workshop will review, correct and improve results, as well as discuss policy implications. The expert(s) will oversee the production of the national GHG Inventory.

5. General description of steps taken or envisaged by the Party to implement the Convention including, as appropriate: (i) programmes related to sustainable development, research and systematic observation, education and public awareness, training, etc.; (ii) policy options for adequate monitoring systems and response strategies for climate change impacts on terrestrial and marine ecosystems; (iii) policy frameworks for implementing adaptation measures and response strategies in the context of coastal zone management, disaster preparedness, agriculture, fisheries and forestry, with a view to integrate climate change impact information, as appropriate, into national planning processes; (iv) in the context of undertaking national communications, building of national, regional and/or sub-regional capacity, as appropriate, to integrate climate change concerns in medium and long term planning; and (v) programmes containing measures the Party believes contribute to addressing climate change and its adverse impacts, including the abatement of the increase in greenhouse gas emissions and the enhancement of removals by sinks.
6. Integrate and coordinate the production of the Initial Communication with the CPACC project. Both efforts respond to national priorities, and will be carried out by similar institutions and technicians. These will organize and undertake a study of the impacts of climate change and adaptation to it with respect to the specific geographical and climatological characteristics of Antigua. This study will build on ongoing or finalized national and international studies, and will use, as appropriate, existing methodologies and tools, and results of other ongoing studies. Antigua and Barbuda is not requesting monies from UNDP/GEF for vulnerability and adaptation issues.
7. Prepare a national strategy for effective response measures to climate change.
8. Provide other information that the country considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication. This may include: proposals for projects for financing, including specific technologies, materials, equipment, techniques or practices that would be needed to implement such projects, along with, if possible, an estimate of all incremental costs, of the reductions of emissions and increments of removals of greenhouse gases, as well as an estimate of the consequent benefits; material relevant for calculation of global emission trends; constraints and obstacles; etc.
9. Organize a workshop (with wide local participation and relevant international partners) to present the results of this project, together with results or status of other ongoing national

projects relevant to the issue, and to discuss the results with the objective of formulating a national action plan for effective response measures to climate change (focusing on win-win mitigation and adaptation measures).

10. Using the outputs of this project as well as results of other ongoing projects, prepare the first national communication of Antigua and Barbuda to the Conference of the Parties.

The activities will be carried out in sequence so that tasks building on the results of prior activities are only undertaken if these prior steps have been taken. For instance, the mitigation analysis will build on the results of the inventory. Any mitigation plan will build on the results of the mitigation analysis. Adaptation considerations will build on early results of the vulnerability assessments from the CPACC project. Delays in the CPACC project will not undermine the timely completion of the Initial National Communication.

With the outlined activities the project is expected to cover all the steps needed to prepare the first national communication of Antigua and Barbuda to the CoP.

Rationale for GEF Support

This project is consistent with the GEF Operational Strategy and the revised GEF Operational Criteria for Enabling Activities to provide coordinated and timely assistance to countries to fulfil their commitments to the UNFCCC. The project responds to such objectives by implementing an activity needed to enable Antigua and Barbuda to prepare its first national communication to the CoP.

This proposal covers activities required in the initial communication. This includes: the inventory, mitigation analysis, policy issues related to climate change and the production of the initial communication itself. This proposal undertakes tasks not included in the regional GEF funded, *Caribbean: Planning for Adaptation to Global Climate Change (CPACC)*, which emphasizes vulnerability and adaptation issues and has a four-year time frame. The CPACC project is scheduled to start in the second quarter of 1997. Early results from policy issues derived from the CPACC project will be included into the national communication to the UNFCCC.

Sustainability and Participation.

The Government of Antigua and Barbuda is fully committed to the objectives of this project. Furthermore, this project is seen as an integral part of the efforts by the Antigua and Barbuda government to meet its obligations under the Framework Convention on Climate Change.

To ensure wide participation, a Project Steering Committee will be established on the basis of the existing National Climate Change Committee with representatives from government, private development organizations and the business sectors listed in Table 2, below. The Steering Committee will have no more than ten members and will attempt to include all interested sectors.

It is expected, that after successful completion of the project, the Project Steering Committee will continue to deal with UNFCCC-related matters on a permanent basis. Also, as already mentioned, specific attention will be paid to the dissemination of, and public access to the available information.

Lessons Learned

The importance of involvement and cooperation of all relevant stakeholders, including key government ministries, NGOs, academic institutions and the private sector, has been noted and duly reflected in the proposal. The project recognizes the importance of the exchange of information and experience at the national level, as well as regionally and internationally.

In implementing the different activities, the project will follow the internationally adopted guidelines and use existing methodologies and tools whenever available. Technical assistance will be provided by regional and local experts whenever possible

Project Financing and Budget

Antigua and Barbuda requests US\$166,600 for the production of the Initial National Communication on Climate Change. Government will match this allocation by providing office space and other forms of in kind support.

Annex I, *Coverage of Activities*, provides an itemized list of the elements that will be undertaken in this project. Annex II provides an itemized budget. Please note that the bulk of the request will go towards the production of the inventory, the formulation of national climate change strategies, and the production of the national communication itself.

Institutional Framework and Project Implementation

The project will be executed through the Ministry of Planning, as appointed by the Office of the Prime Minister. The Project Steering Committee will be charged with overseeing and advising project execution and will have decision making power over all aspects of the project. The project will also collaborate closely with all the other relevant ongoing projects in Antigua and Barbuda, both through the Project Steering Committee and between the research teams in order to enable an effective exchange of information between the projects and full utilization of their results.

Regarding international collaboration, working links with relevant regional and international expert institutions will be created, and, among others, IPCC and UNEP will be consulted when selecting the methodologies for, and implementing the specific activities of the project. The project will also utilize results and lessons learned from other ongoing or finalized international projects, such as CC: TRAIN and the US Country Study Program, to avoid duplication of efforts. As a means of identifying and disseminating information, the project will utilize, to the extent feasible, electronic networks such as Internet and cooperate with the CC: INFO initiatives of the

UNFCCC Secretariat.

Listed below are the agencies which will interact with the Project Manager:

Table 2
Project Steering Committee

	Office
1	Office of the Prime Minister
2	Ministry of Agriculture
3	Ministry of Planning
4	Ministry of Public Utilities, Transportation and Energy
5	Ministry of Tourism and Environment
6	Office of Meteorology
7	A Representative from the Business Community
8	A Representative from the NGO Community

Monitoring and Evaluation

After the detailed work plan has been prepared, an external review will be undertaken by an expert with experience in these types of projects. The purpose of the review is to identify in the early stage of the project the eventual gaps, overlaps and other risks of successful implementation, as well as to identify potential partners and sources of information which the project could benefit from.

The executing agency together with the Project Steering Committee will be responsible for monitoring the project on a continuous basis. In order to do this, the project manager, with the help of the leaders of the research teams, will prepare regular reports on the progress of the project and the different sub-tasks under it.

For the remaining part, the project will rely on common UNDP monitoring and evaluation practices including a mid-term evaluation and a tripartite review to be held within the first 12 months of the start of the full implementation of the project.

JUL. -17 '97 (THU) 17:00 GEF/UNDP

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GOVERNMENT OF ANTIGUA AND BARBUDA

Permanent Mission
To The United Nations

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4 October 1996

Mr. Rafael Asenjo
Executive Coordinator
UNDP-GEF
304 E 45th Street
New York 10017

INCOMING MAIL UNDP/GEF	
TO: <u>RA</u>	
FROM: _____	
OCT 04 1996	
DATE	
CC: <u>ET/RH</u>	
<u>N. Romple</u>	
FILE: _____	

Sir:

**Re: Guidelines for the Preparation of Antigua and Barbuda's
Initial Communications under the Framework Convention on Climate Change**

I have the honour to address you in my capacity as the GEF Political Focal Point of Antigua and Barbuda and to refer to the above captioned request.

As you are no doubt aware, at the second meeting of the Conference of the Parties (COP2) to the Framework Convention on Climate Change (FCCC), a decision was adopted on "Communications from Parties not included in Annex I: Guidelines, Facilitation and Process for Consideration" which, among other things, is intended to "facilitate the process of preparation, compilation and consideration of the communications, including the preparation of compilation and synthesis documentation..." and assist Parties not included in Annex I in meeting their commitments under Article 12.1 of the FCCC.

You are also aware that Antigua and Barbuda is one of eleven countries participating in the GEF project: Caribbean: Planning to Adaptation to Climate Change (CPACC), implemented by the World Bank and executed by the Organization of American States (OAS). Attempts to incorporate fully the guidelines approved at the COP2 into the national communications component of CPACC have been less than satisfactory. This in turn has led the majority of the countries participating in CPACC to formally notify both the World Bank and the OAS that they have decided to opt out of the national communications segment of the project.

JUL -17' 97 (THU) 17:00 GEF/UNDP

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ANTIGUA BARBUDA NY

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Mr. Rafael Asenjo

It is against this backdrop that I am formally requesting GEF funding through UNDP-GEF, on an urgent basis, to meet the agreed full costs of implementing fully the above-captioned guidelines, in particular the segments on Scope, National Circumstances, Inventory, General Description of Steps, Other Information and Financial and Technological Needs and Constraints.

I look forward to hearing from you soonest or at your earliest convenience.

Accept, Sir, the assurances of my highest consideration.



H.E. Dr. John W. Ashe

Ambassador/Deputy Permanent Representative
GEF Political Focal Point of Antigua and Barbuda

Annex II

Project endorsement by the GEF operational focal point in the country, acknowledging project goal of sufficient capability in areas covered by the project.

Budget for Expedited Processing of The Enabling Activity Proposal Annex III
For Preparing the Initial National Communication

Antigua & Barbuda	Information to be included into the national communication	Enabling activity to produce the information needed	Type of activity		Total US\$	
			Planning and Execution	Capacity Building		
				Institutional		Human
1 National Circumstances	Compilation of Information from existing sources	\$ -	\$ -	\$ -		
2 Greenhouse Gas Inventory	Data gathering and Inventory of GHG emissions	\$ 30,800	\$ 14,800	\$ 21,200	\$ 66,800	
3 General Description of Steps						
a) programs related to sustainable development, research, public awareness, etc.	An assessment of potential impacts of climate change in the country	na	na	na	\$ -	
b) policy options for monitoring systems and response strategies for impacts.	An analysis of potential options to adapt to the impacts of climate change	na	na	na	\$ -	
c) policy frameworks for implementing adaptation measures and response strategies.						
d) building capacity to integrate climate change concerns into planning.	An analysis of potential measures to abate the increase in GHG emissions and enhancement of sinks	\$ 7,700	\$ 2,700	\$ 4,700	\$ 15,100	
e) programs to address climate change and its adverse impacts, including the abatement and enhancement of sinks	Formulation of programs for implementation of the identified GHG abatement measures	\$ 7,700	\$ 7,900	\$ 5,300	\$ 20,900	
4 Other Information including, as appropriate						
a) Financial and technological needs and constraints associated with the implementation of the Convention under art. 4 and 12.	Based on the results of the studies compilation of additional information that the country wants to present in its national communication	\$ 4,200.0	\$ -	\$ -	\$ 4,200	
b) Projects for financing						
c) Materials relevant for calculation of global emission trends						
5 Compilation and production of national communication	Based on the results of the studies compiled for the national communication (incl. translation and prep. of an executive summary).	\$ 7,400	\$ 7,600	\$ 3,500	\$ 18,500	
Project management		\$ 2,100	\$ 7,400	\$ 6,700	\$ 16,200	
Monitoring / Evaluation		\$ 15,000	\$ -	\$ -	\$ 15,000	
Operational Budget		\$ 74,900	\$ 40,400	\$ 41,400	\$ 156,700	
Percentage of total budget		47.8%	25.8%	26.4%	100.0%	
Project support services 3%					\$ 4,800	
GRAND TOTAL					\$ 161,500	