

# PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project

THE GEF TRUST FUND

**Submission Date**: April 23, 2009 (Re-submission)

### **PART I: PROJECT IDENTIFICATION**

**GEF PROJECT ID**<sup>1</sup>: **PROJECT DURATION: 24** months

GEF AGENCY PROJECT ID: COUNTRY(IES): Argentina

PROJECT TITLE: Third National Communication to the United

Nations Framework Convention on Climate Change **GEF AGENCY(IES):** World Bank, (select), (select)

OTHER EXECUTING PARTNER(S): Secretary of Environment and

Sustainable Development, Argentina **GEF FOCAL AREA** (S)<sup>2</sup>: Climate Change

GEF-4 STRATEGIC PROGRAM(s): Climate Change (see preparation

guidelines section on exactly what to write)

NAME OF PARENT PROGRAM/UMBRELLA PROJECT (if

applicable):

INDICATIVE CALENDAR*					
Milestones	Expected Dates mm/dd/yyyy				
Work Program (for FSP)	June 2009				
CEO Endorsement/Approval	September				
	2009				
Agency Approval Date	October 2009				
Implementation Start	November				
	2009				
Mid-term Evaluation (if	November				
planned)	2010				
Project Closing Date	November				
	2011				

<sup>\*</sup> See guidelines for definition of milestones.

#### A. PROJECT FRAMEWORK

**Project Objective**: To assist the Government of Argentina to strengthen its capacity in designing sectoral policies and measures for mitigation and adaptation to climate change and to evaluate the environmental, social and economic impact of their implementation while fulfilling obligations to the UNFCCC.

Indicate			Indicative GEF					
Project	whether	Expected Outcomes	Expected Outputs	Financi	ng <sup>a</sup>	Financ	ing <sup>a</sup>	Total (\$)
Components	Investme nt, TA, or STA <sup>b</sup>			(\$) a	%	(\$) b	%	c = a + b
1. Definition of technical and institutional framework for TNC	TA	Technical scope of supported studies identified; Timeframe and critical path identified; Coordination mechanism and institutional arrangements developed;	Detailed technical TORs for all studies considered including full descriptions of technical scope, timeframes, institutional arrangements, including preparation of procurement plan; Overall workplan for the project Consultation workshops with key stakeholders and definition of coordination mechanism for TNC.	111,610	80.6	26,850	19.4	138,460
2. Inventory of GHG emissions and development of tools to manage GHG emissions database	STA	Clear understanding of magnitude and trends of GHG emissions from different emitting sectors; Improved capability for modeling, analyzing and projecting GHG emissions; CC -integrated development planning is informed by GHG emission inventory	Updated and new GHG emissions inventories (1994, 1997, 2000, 2006); Technical report on local emission factors for key economic activities; Database with informatics tools for data updating and data retrieving; Datasheet with set of indicators for GHG emitting sectors;	329,400	80.6	83,342	19.4	412,742

Project ID number will be assigned by GEFSEC.

Select only those focal areas from which GEF financing is requested.

3. Assessment of impacts of, and vulnerability to climate change	STA	Better understanding of Argentina's vulnerability to the impacts of climate change and strengthened climate modeling tools; Climate change impact scenarios for health, tourism, energy, water resources, agriculture, protected areas and ecoregions; for employments and for employment transitions due to response measures	Ensemble and downscale of climate models; Technical reports with socio-economic baseline scenarios; Specific studies on climate change vulnerability and impact scenarios developed for ecoregions and their environmental services, health, tourism, agriculture, energy and water resource management; as well as for employments and employment transitions due to response measures	518,400	80.6	131,162	19.4	649,562
4. Actions to improve adaptation to climate change	STA	Assessment of potential adaptation actions based on vulnerability and impact assessments of eco-regions and selected economic activities including technical and economic analysis of those actions.	Technical report including proposals of potential adaptation actions in areas/sectors identified as particularly vulnerable to CC such as human health, tourism, energy, water resources, agricultural economic activities, ecoregions. The study will also cover technical, institutional, social, environmental, financial,economic analysis of those actions	108,000	80.6	27,325	19.4	135,325
5. Actions to enhance mitigation of climate change	STA	Assessment of potential mitigation actions based on updated GHG emissions inventory, including technical and economic analysis of those actions.	Technical report including proposals of potential mitigation actions in the energy, transport, agriculture, industry, waste and forestry sectors. The study will also analyze technical, institutional, environmental, social, financial and economic analysis of the proposed actions	129,600	80.6	32,780	19.4	162,380
6. Mitigation and adaptation policies and measures	TA	CC policies and measures to be integrated into development strategies of main economic sectors designed and taking into account outcome of negotiations at UNFCCC; Mid- and long-term environmental, social and economic impacts of the proposed policies and measures evaluated.	Discussion paper to set of plausible policies and measures for mitigation of and adaptation to climate change, including design of regulatory frameworks, implementation strategies, and institutional arrangements; strategies and courses of action to address identified barriers to enforcing policies and measures laid out in national communications;  Technical reports with Economic, social and environmental impact assessments of the implementation of the designed policies and	259,200	80.6	65,580	19.4	324,780

			measures based on the socio-					
7. Institutional strengthening, capacity building, information collection and processing	TA and STA	Strengthened capacity of public institutions to address climate change; including improved climate change modeling and observation systems	economic baseline scenario.  Workshops and training sessions to create capacity in public, scientific and technological institutions, educational and civil society institutions; CC information communication system set up for assisting municipal and provincial governments in integrating CC. Trainings in application of different climate models;	358,000	80.6	90,580	19.4	448,580
8. Publication and dissemination of the TNC Report		Dissemination of TNC results among governmental agencies, .scientific institutions, nongovernmental organizations and general public. Enhanced public awareness on climate change in Argentina.	Final report of the TNC; Specific report for each activity realized under the TNC; National Launching Event, Workshops and seminars to disseminate preliminary and final results of the TNC.	388,000	80.6	98,170	19.4	486,170
9. Project management				237,000	80.6	59,975	19.4	296,975
Total project costs				2,439,21 0	80.6	615,764	19.4	3,054,974

a List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component. The TA = Technical Assistance; STA = Scientific & Technical Analysis.

# B. INDICATIVE **CO-FINANCING** FOR THE PROJECT BY SOURCE and by NAME (in parenthesis) if available, (\$)

Sources of Co-financing	Type of Co-financing	Project
Project Government Contribution	Cash and in kind	615,764
Total Co-financing		615,764

C. INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Previous Project Preparation Amount (a) <sup>3</sup>	Project (b)	Total $c = a + b$	Agency Fee
GEF financing		2,439,210	2,439,210	243,921
Co-financing		615,764	615,764	
Total		3,054,974	3,054,974	

## D. GEF RESOURCES REQUESTED BY AGENCY (IES), FOCAL AREA(S) AND COUNTRY(IES)<sup>1</sup>

GEF Agency	El A	Country Name/		(in \$)				
GET Agency	Focal Area	Global	Project (a)	Agency Fee (b) <sup>2</sup>	Total c=a+b			
(select)	(select)							
(select)	(select)							
(select)	(select)							
(select)	(select)							
(select)	(select)							
(select)	(select)							
(select)	(select)							

Include project preparation funds that were previously approved but exclude PPGs that are awaiting for approval.

06/05/2009 8:37:06 A PIF-December 08

(select)	(select)			
(select)	(select)			
Total GEF Resources				

No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

### PART II: PROJECT JUSTIFICATION

A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

The global path of CO<sub>2</sub> emissions already surpasses the worst case scenario (SRES)<sup>4</sup>. Although there are uncertainties with regard to exact consequences, there is high confidence (IPCC 2007) that impacts from climate change even under significantly more modest emission scenarios, will affect the functioning and integrity of key ecosystems worldwide. While the impacts are being felt globally, the effects of climate change will likely heavily impact Latin America and the Caribbean, where there remains a substantial, but intrinsically fragile, natural capital and where there are a number of climate sensitive regions (hotspots). Argentina has been identified as particularly vulnerable to the impacts of climate change. Significant vulnerabilities projected in the second national communication (SNC) for the period up to 2040 include: (i) reduction of the water level in the La Plata Basin rivers; (ii) increase of the water stress in the northern and part of the western areas of the country; (iii) potential water crisis in Mendoza, San Juan and Comahue; (iv) intense precipitation and floods in zones already affected; (v) further glacier retreat with implications for hydro-power generation and agriculture; (vi) increased vulnerability of coastal areas to sea level rise (Second National Communication, 2007). While Argentina emits only about 0.85% of the annual global greenhouse gases, it is the fourth largest greenhouse gas (GHG) emitter in Latin America. The GHG emissions corresponding to year 2000 including the Land Use Change and Forestry (LUCF) sector are 238,703 Gg of CO2 eq., slightly lower than those of 1997. However, if LUCF sector is excluded, the emissions of the year 2000 increased 4.1% above those of the year 1997. This difference is explained by the increase of the net sequestration of the LUCF sector between those years. When the emissions, expressed in tons of CO2 eq., are disaggregated by gases (without considering the LUCF sector), the 45.5% of the total is CO2, 30.1% CH4, 23.9% N2O The most emitting sectors include energy with 46.8%, Agriculture and livestock with 44.3%, waste management 5.0% and the remainder 3.9% corresponds to Industrial Processes (Second National Communication).

Argentina has been an active player in the international climate change agenda. Argentina ratified the UN Framework Convention on Climate Change (UNFCCC) on March 11, 1994 and the Kyoto Protocol in September 2001 (28/09/01 (R)). As part of the obligations assumed as a party of the UNFCCC, the Government of Argentina submitted its First National Communication in July of 1997 and a revision of that communication in October of 1999. The Second National Communication was submitted in December of 2007 with the help of the Bank/GEF. In early 2009, the Government of Argentina (GOA) proposed the preparation of the Third National Communication to the Parties of the UNFCCC through the help of the Bank/GEF.

As an immediate background, the **second national communication** (SNC) has produced several results of significant importance for the development of the third national communication. Revised emissions inventories for the years 1990, 1994, 1997, and 2000 have been developed showing that GHG emissions have increased steadily since 1990. Additionally, the revised inventories demonstrate that LUCF acts as a net sink in Argentina, and that the energy, agricultural and livestock sectors are responsible for over 90% of the country's total GHG emissions. The results obtained from these inventories establish a solid baseline that facilitates the updating of GHG emissions and the analysis of future trends. The SNC resulted also in guidelines for adaptation and mitigation which are a first step towards a concrete strategy. These guidelines promote interactive participation with relevant stakeholders, the inclusion of adaptation to future climate, as well as the presentation of climate variability. Four systems were analyzed in great detail: agriculture, urban settlements, water resources, and energy systems. The mitigation plan helped identify mitigation opportunities focused on energy efficiency and savings, renewable energy, emission reductions in the transport sector, and carbon sequestration. These adaptation and mitigation assessments lay the groundwork for further analysis and help to promote the translation of these into concrete actions. The SNC resulted also in the development of a high resolution regional circulation model in CIMA that will be of use for further vulnerability assessments under the 3NC.

PIF-December 08 06/05/2009 8:37:06 AM

٠

Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

<sup>&</sup>lt;sup>4</sup> SRES (Standard Reference Emission Scenarios) were prepared by the IPCC in 2001. The worst case scenario, A1FI, assumed business as usual and runaway expansion in the use of fossil fuels.

Even though the SNC was key in identifying priorities for interventions the translation of these assessments into concrete policies and actions has yet to happen. Climate change policies and measures are still pending to be integrated into sectoral development strategies and to be assessed in terms of their economic, environmental and social impacts. The proposed **Third National Communication (TCN)** would take this process a step further and would represent a strategic tool to integrate climate change considerations into sector policies and programs. The proposed project would look at the integration of climate change policies and measures with policies, strategies and programs of actions currently underway. As a result the TNC would create a key tool for decision makers at all levels by providing them with in depth mitigation and adaptation assessments and with continuous and solid climate data that would inform the policy design process. This new stage requires the update of information, the use of new scientific tools and the inclusion of new spatial scales, covering new topics as climate change in ecoregional planning, which a critical piece for land-use planning. The results of these updates and assessments as well as the active involvement of various institutions (public, scientific, educational and civil society) in them right from the beginning are expected to contribute to deepen the understanding of the needs and consequences of the implementation of mitigation and adaptation P&M as well as of their potential contribution to the sustainable development of the different economic sectors in Argentina.

The **objective** of the proposed TCN is to strengthen the capacity of the GOA in designing sectoral policies and measures in the mitigation and adaptation agenda based on an updated emission inventory and on further analysis of the mitigation potential, and of vulnerability assessments while fulfilling its obligations to the UNFCCC. The proposed project would support the mainstreaming of CC considerations into Argentina's domestic sectoral strategies. The identified mitigation and adaptation actions would also include the analysis of the environmental, social, economic impacts of the implementation of the identified measures, as well as of possible synergies, and would take into account the outcomes of international climate negotiations expected to be concluded in December 2009.

The implementation of project outcomes by the country is expected to generate **global environmental benefits** through the reduction of GHG as a consequence of designing appropiate mitigation policies and measures as proposed under this project. It would also benefit biodiversity and lands conservation by reducing the vulnerability of critical ecosystems through identified adaptation measures, and by addressing land degradation issues based on detailed vulnerability assessments. In immediate terms, this project will enable the country to act proactively in the domestic climate change agenda based on a tool to guide development in different sectors.

The main objective, structure and components of this project have been initially discussed and reached a first level of consensus during meetings organized by the Climate Change Office of the Secretary of Environment and Sustainable Development (SAyDS) of Argentina during 2008. These meetings were held to promote the involvement and to capture preliminary ideas from other governmental agencies, scientific and technological institutions and non-governmental organizations in the development of this PIF and in the Third National Communication.

Component 1: Definition of technical and institutional framework for 3NC (Total cost: USD 0.14 million; GEF: USD 0.11 million): The objective of this component is to fully detail the technical scope of the activities undertaken as part of the 3NC and to design the institutional and coordination arrangements in order to facilitate the access to information and to commit governmental agencies to the development of the project. In depth technical task descriptions and responsibilities, timeframes and resources required will be designed for each activity. Expected results from this component include the preparation of detailed TORs for the activities to be performed as well as the institutional architecture for the management and implementation of the project activities.

Component 2: GHG Inventory and development of tools to manage GHG emissions database (Total cost: USD 0.41 million; GEF: USD 0.33 million): The objective of this component is to update the emission inventory up to year 2006 and to strengthen the required technical capacities for modeling, analyzing and projecting GHG emissions for each GHG emitting sector. The emission inventory will be updated with the most recent data from the different GHG emitting sectors using the latest IPCC Guidelines for National Greenhouse Gas Inventories approved by the convention. The project would support the following activities in order to improve data collection and processing as well as public access to the information; (i) Compile, standardize and archive sectoral GHG emission data and other relevant information; (ii) Determine local emission factors for key economic activities; (iii) Develop carbon foot-print calculator; (iv) Develop indicators to facilitate the update of GHG inventories; (v) Set up database with informatics tools for data updating and

data retrieving; (vii) Establish mechanisms for public access to the information; (viii) Establish quality control and quality assurance procedures for the information and data used; (ix) Strengthen capacity for developing emission inventories and for analyzing generated data. By project end, an updated emission inventory will be available, providing on a continuous basis GHG emission data by sectors as well as trends. Inventory managing tools will be in place such as trained staff to develop and manage database.

Component 3: Assessment of impacts of and vulnerability to climate change (Total cost: USD 0.65 million; GEF: USD 0.52 million): The objective of this component is to further assess the country's anticipated climate change impacts and the most vulnerable sectors and areas with the help of state of the art climate models as a basis to define priority adaptation measures and policies. This component will support the elaboration of socio-economic scenarios for Argentina and of vulnerability and impact assessments for different climate change scenarios, based on ensemble and downscale of climate models conducted under the proposed project, and on the regional circulation model developed at the CIMA under the SNC. Socio-economic scenarios will serve as reference scenario for the climate change vulnerability and impact studies as well as for the mitigation and adaptation policies and measures under component 5. Activities for the elaboration of socio-economic scenarios include: (i) Identify and assess the information necessary to develop the socioeconomic scenario; (ii) Standardize statistical information; (iii) Identify national and international driving forces for the evolution of different socio-economic sectors; (iv) Project the evolution of the socio-economic baseline scenario. In depth vulnerability and impact assessments to be elaborated will cover all eco-regions of the country as well as sectors previously identified as particularly vulnerable to climate change (SNC), based on ensemble and downscale of climate models. These assessments will provide the basis for better planning and designing of adaptation policies and measures and of their possible link with mitigation actions. The vulnerability and impact studies to be elaborated are related to: (i) Main eco-regions throughout the country (e.g. Esteros del Iberá, Yungas, Espinal, Puna, etc.); (ii) Ecosystems services and resources management; (iii) Agricultural production systems (e.g. cattle, dairy, sugar cane, etc.), including agricultural health; (iv) Human health (e.g. vector-borne diseases, plagues, etc.); (v) Urban areas; (vi) Tourism; (vii) Energy; (viii) Water resources, (ix) employment transitions; The vulnerability and impact studies will build upon the assessments elaborated under the SNC. As a result of this component, a dynamic socio-economic baseline will be developed and the generation of detailed vulnerability assessments by sector and region for different climate scenarios based on most advanced and reliable climate models.

Component 4: Actions to improve adaptation to climate change (Total cost: USD 0.14 million; GEF: USD 0.11 million): This objective of this component is to further develop priority adaptation actions necessary to strengthen the preparedness to climate change impacts in areas identified as most vulnerable under component 2 and under the SNC. The supported studies will include the technical, environmental, social, financial and economic analysis of the proposed adaptation actions thus enabling their prompt implementation. In addition, this component will include specific studies on: (i) Early warning systems; (ii) Technologies for adaptation in the agricultural sector; (iii) Urban infrastructure for flood prevention; (iv) Land use planning; (v) Health prevention systems; (vi) Tourism. The activities supported under this component are expected to result in the identification of priority adaptation actions including their expected impacts, and their cost and benefits.

Component 5: Actions to enhance mitigation of climate change (Total cost: USD 0.16 million; GEF: USD 0.13 million): The objective of this component is to support mitigation potential studies in the main economic and GHG emitting sectors in Argentina in order to identify priority mitigation measures. The updated GHG inventories will help identify detailed emission patterns per emitting sector and identify the absolute emissions, emission intensity and emissions trends. The studies will analyze the technical, economic, social, environmental, financial and institutional (stakeholder) aspects required for the implementation of mitigation actions in Argentina. Mitigation potential studies will focus on the sectors with the highest carbon footprint and with an increasing trend including the following sectors: (i) Energy (including both supply and demand sides), transportation and fugitive emissions from the oil and gas sectors; (ii) Agriculture; (iii) Forestry (including afforestation, reforestation, deforestation and forest degradation); (iv) Industry; (v) Waste management. As a result, the development of mitigation measures with the highest or most feasible reduction potential is expected including the identification of the cost and benefits per measure.

Component 6: Mitigation and adaptation policies and measures (P&M) (Total cost: USD 0.32 million; GEF: USD 0.26 million): The objective of this component is to support the enhancement of an enabling framework for the implementation of mitigation and adaptation measures, and to mainstream climate change into development strategies and

sector programs. The activities under this component will deliver a set of policies and measures to address mitigation and adaptation in different economic sectors. These P&M will be based on the results of the vulnerability and impact studies, adaptation options studies, GHG inventories and mitigation potential studies. The design of P&M will take into account sectoral development strategies or programs already in place as well as the outcomes of the negotiations currently underway in the UNFCCC. The activities will also include the assessment of economic, social and environmental impacts of the implementation of the P&M on the socio-economic baseline scenarios. As a result of this component the design of and agreement on supporting and integrated policies is expected that would facilitate the implementation of priority adaptation and mitigation measures and to strengthen their sustainability. There is currently a strong political will in Argentina to move forward quickly with the development of the TCN and to foster climate change related policies and measures in the different sectors whose cooperation has significantly increased in the recent past.

Component 7: Institutional strengthening, capacity building and information management (Total cost: USD 0.45 million; GEF: USD 0.36 million): The objective of this component is to strengthen the institutional capacity with regard to integrating climate data into sectoral programs and strategies based on the results of the supported studies. This component will support the participation of stakeholders in the elaboration of climate change P&M. In this sense, workshops with the participation of governmental, scientific and technological institutions, and civil society will be held, dissemination material will be developed, and communication systems for assisting provincial and municipal governments in integrating climate change issues into their development planning and programming will be designed. Training courses on technology needs assessment and climate observation systems will also be realized under this component. By the end of the project, public institutions would be providing adequate information on climate change and climate change concerns would be integrated into sectorial programs.

Component 8: Development, publication and dissemination of the TNC (Total cost: USD 0.49 million; GEF: USD 0.39 million): The objective of this component is to integrate all the results of the studies supported under this project in the format of the TNC, and to publish and disseminate the TCN. Specific reports for each activity carried out under the project will be developed that will be of relevance for policy makers. This component includes also a public awareness strengthening effort that seeks to disseminate the generated data and the preliminary and final results throughout the project duration to all relevant stakeholders. Partial results will be discussed during the development of the project through different mechanisms such as workshops and the like. As a result of this activity the development of the TCN document, its launching in a national events and its dissemination in seminars and workshops is expected.

#### B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL/REGIONAL PRIORITIES/PLANS:

Argentina is introducing environmental considerations and sustainable development concepts into its strategic sectoral development plans for each of the main economic sectors, which have not been fully considered in the past. The main objective of the Third National Communication is to design climate change policies and measures and integrate them into sectoral development strategies and assessing their economic, environmental and social impacts. This will offer a scientific-based decision making tool not only for the Secretary of Environment and Sustainable Development but also for policy makers across the different areas of national, provincial and municipal governments. This proposal has been elaborated after an initial consultation process within and outside the Secretariat of the Environment and Sustainable Development (SAyDS). Among government agencies that have participated in this process are the Secretary of Energy, the Secretary of Industry, the Secretary of Agriculture, and the Subsecretary of Water Resources. Together with this, SAyDS is leading the climate change dialogue with other agencias such as the National Parks Administration, or with climate change units in provinces, which represents a valvualbe platform to build with the TNC on specific topics. In addition, scientific and technological institutions have participated through the Scientific and Technological Commission on Climate Change.

The project is in line with the last Country Assistance Strategy. The last CAS was submitted in May 4,2006 and includes among its core objectives under the sustained growth pillar (i) **infrastructure development** with a focus on expanding access of the poor to basic services, (water supply and sanitation, urban transport, regional transport); and (ii) **rural development and the environment** with a focus on promoting agricultural growth, reducing rural poverty, and improving environmental management-all of which stand out as critical and relatively unaddressed concerns. The project would be complementary to these objectives by generating data of relevance for planning in these vulnerable sectors and by strengthening the country's capacity in assessing the threat of climate change on the above mentioned sectors.

#### C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:

This project has been prepared following the UNFCCC guidelines for Non Annex I National Communications (decision 17/CP8), and therefore, fits in the Strategic Priority of "enabling activities in support of the National Communication for Non Annex I parties of the convention" within the GEF operational Strategy for Climate Change. According to the Climate Change Focal Area Strategy and Strategic Programming for GEF-4, enabling activities will continue to be financed by the GEF, as national communications represent an obligation of non-Annex I parties under the UNFCCC.

#### D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES:

See section C above. In addition article 4.3 of the UNFCCC specifies that the GEF shall pay the agreed full cost of the preparation of national communications.

### E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The proposed project will be designed and implemented in coordination with several GEF's projects already approved or in the process of approval in sectors related to energy efficiency, conservation of ecosystems, biodiversity conservation and forest management such as: (i) the "Energy Efficiency Project" that would provide valuable information to the TCN process in terms of mitigation potential and emission data in the energy sector; (ii) the "Establishment of Incentives for the Conservation of Ecosystem Services of Global Significance" project, will benefit the TCN with technical information related to the value of ecosystems and their environmental services in Argentina. The TCN vice versa will generate data of use for considering climate change impacts in long term conservation strategies; (iii) The recently approved "Regional Sustainable Transport and Air Quality Project"; (iv) the "Rural Corridors and Biodiversity Conservation" project; (v) the "Sustainable Forest Management in the Transboundary Gran Chaco Americano Ecosystem". The TCN will be coordinated with this effort by providing an updated analysis of the carbon footprint of the transport sector in Argentina and by identifying mitigation options. The project will also coordinate with the Bank's broad lending portfolio in the water, waste and energy sector. Finally the project will seek linkages to the extensive climate change portfolio in the region and with the analytical work such as the regional study on the social impacts of climate change and with the Amazon Dieback Study. With the support of CEPAL an economic analysis of the impacts of climate change in Argentina is being conducted which will also complement the activities supported under this project. Where possible, coordination of specific activities will be established with the Argentine Carbon Facility, IBRD Forest Carbon Partnership Facility and JICA, who has an activo portfolio of CC projects in Argentina.

# F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH <u>INCREMENTAL</u> REASONING:

Without GEF support for the development of this project, climate change issues may not be fully integrated into sectoral strategic development plans for the main sectors in the country and assessments might be delayed. This could result in failing to give appropriate consideration to sustainable development issues including mitigation of and adaptation to climate change.

# G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED, AND IF POSSIBLE INCLUDING RISK MITIGATION MEASURES THAT WILL BE TAKEN:

The main risks potentially affecting project implementation are:

Institutional and coordination risk: The adaptation and mitigation agenda in Argentina involves a variety of sectors, institutions and provinces distributed country wide. There is a risk that results of supported assessments might not be translated into concrete policies and actions because of lack of institutional support, of dissemination of results and of coordination of inputs. Strong coordination and involvement of concerned institutions right from the beginning is thus essential to ensure adequate assessments, continuous access to data and integration of the results into sector planning. As part of its first component, the project will establish a steering committee that will include representatives from the different secretaries, regional and local governmental institutions, research institutions, civil society. The project preparation has already initiated a consultation process within and outside of the SAyDS with regard to the elaboration of this proposal. The Federal Council of Environment will be actively involved.

Limited robustness and completeness of GHG emissions and climate data: Possible risks for the proposed project activity are associated with the robustness and completeness of the data required to carry out the different studies that will be part of the TCN. In addition, much of the data required is dispersed among different public and private institutions and usually difficult to gather. The Climate Change Office of the Secretary of Environment and Sustainable Development, as coordinator of the project, will be responsible to coordinate with these institutions to collect the necessary data for the consultant teams to complete their works. Regarding the scientific capacity for the development of the project, mechanisms will be established to assure the formation of technically solid and experienced work teams. The Bank is engaged in several cooperation agreements with some of the leading climate research institutions facilitating access to solid climate data and tools by the implementing agency The project will thus benefit from the access to advanced modeling tools and to training opportunities in applying the climate models on a regional basis.

*Effective procurement arrangements:* During the SCN procurement processes have sometimes resulted lengthy due to intermediary instances involved. The project will mitigate this risk by preparing a detailed procurement plan during preparation to be agreed with the future recipient.

#### H. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:

The above-described structure and components of the proposed project activity represent a cost-effective approach by seeking to create in addition to in depth assessments for the different sectors the creation of a strategic framework for adaptation and mitigation that strengthens the sustainablity of identified priority measures. Strong coordination arrangements with all the institutions concerned will seek to ensure flow of information of relevance for policy design. The proposed project would support the integration of the results into the definition of policies and measures which would be based on the most up-to-date data and scientific information elaborated and processed in coordination with government agencies, the Federal Council for the Environment, consultant teams, and other stakeholders. The Secretary of Environment and Sustainable Development, as project manager will ensure this coordination. The TNC will build on existing assessments, capacities including modelling tools (CIMA's high resolution regional circulation model) and institutions to ensure cost-effectiveness.

### I. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY:

The Bank assisted the Government of Argentina (GOA) with the development of the SNC and the Government of Argentina is specifically requesting to continue its relationship with the Bank in the articulation of its TNC. This continuing partnership would help moving forward efficiently with the preparation of the TNC. The cooperation with the Bank on the SNC provides a solid basis for further analysis which will help to deepen the conducted assessments and to translate them into concrete actions. The Bank brings strong technical expertise since it is working with all the sectors covered by the TCN in Argentina and in the region (water, tourism, ecosystems, agriculture energy, waste, disaster risk management, climate modeling and knowledge management, etc.) and has extensive experience with analytical climate change related work.

The Bank has been very active in the climate change agenda in Latin America since 1998. It has the largest adaptation portfolio in the region with 10 projects. It supports over 50 mitigation projects in the region. The Bank has also been very active in fostering national institutional capabilities in the region to deal with the consequences of climate change (support to climate change offices, facilitation of technical cooperation with leading climate research institutes, support in strengthening capacity in climate modeling and in implementing CDM). The proposed project would thus benefit from the Bank's extensive experience in each of the areas covered by the national communications and from the Bank's extensive scientific cooperation agreements (MRI, NCAR, NOAA, etc). The coordination of the TCN with the Bank's active lending portfolio in the Argentina would help in providing relevant climate data for long term planning and for defining responses in the sectors covered by the operations.

# 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): (Please attach the <u>country endorsement letter(s)</u> or <u>regional endorsement letter(s)</u> with this template).

NAME	POSITION	MINISTRY	<b>DATE</b> (Month, day, year)
Graciela Conesa	General Program	Ministry of	MAY 20, 2009
	Coordinator	Environment and	
		Sustainable	
		Development	

## **B. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Steve Gorman GEF Executive Coordinator The World Bank	Jave Somm	April 23, 2009	Jocelyne Albert Project Contact Person	Tel. and Email: (202) 473- 3458	Jalbert@worldbank.org