

**UNITED NATIONS DEVELOPMENT PROGRAMME
GLOBAL ENVIRONMENT FACILITY**

Proposal for Review

Country: El Salvador

Project Title: Expedited Financing of Climate Change Enabling Activities (Phase II)

GEF Focal Area: Climate Change
Country Eligibility: [x] Eligible under a financial mechanism of the UNFCCC
[x] Eligible under paragraph nine (b) of the Instrument

Date of Ratification: 12 April 1995

GEF Financing (Phase I): US\$ 320,000
GEF Additional Financing (Phase II): US\$ 100,000
Total Costs: US\$ 420,000

GEF Implementing Agency: UNDP

Executing Agency: Ministry of the Environment and Natural Resources (MARN)

Local Counterpart Agency: Ministry of the Environment and Natural Resources

Date of Initial National Communication Submission: April 2000

Estimated Starting Date: March 2000

Project Duration: 1 year

1. CURRENT PROJECT STATUS:

All activities of the Phase I enabling activities project have been completed. The National Communication document is currently being edited and printed, and will be published and submitted to the Secretariat of the Convention late April 2000, together with an English executive summary.

Five areas of activity were addressed in Phase I of the Enabling Activities, including:

(a) National Circumstances

- co-ordination of national circumstances and socio- economic scenarios;
- compilation, analysis and systemisation of socio-economic and environmental data; and
- preparation of the socio-economic scenarios and national realities; and

(b) National Greenhouse Gas (GHG) Inventory

- co-ordination of the inventory preparation and validation;
- training in the IPCC Manual to set up the inventory;
- setting up of the national GHG inventory; and
- consultation and communication of the inventory outcomes.

(c) National Climate Change Programme

- co-ordination and harmonisation of the climate scenarios and socio-economic studies; sectoral impact assessments; and the analysis of the energy sector abatement options;
- training in the LEAP computer programme to analyse the power sector abatement options;
- analysis of the energy sector abatement options;
- sectoral consultation on the energy sector abatement options;
- training in the MAGIC/SCENGEN computer programme to elaborate climate change scenarios;
- elaboration of the climate scenarios; and
- elaboration of the sectoral impact assessments.

(d) First National Communication

- preparation, editing and publication of the First National Communication;
- editing and publication of the National Communication Document;
- elaboration of the First National Communication and the executive summary (Spanish and English);
- edition and reproduction of the various studies prepared;
- endorsement of the decision-making levels of the First National Communication; and
- official submission of the First National Communication.

(e) National Capabilities

- co-ordination among the national experts teams involved in the various climate change studies;
- creation of national experts teams in GHG inventories, climate scenarios, impact and abatement assessments;
- consolidation of the Co-ordinating Committee for Climate Change;
- introduction in mass media (e.g., radio, television and written press); and,
- participation in regional workshops on specific issues including: inventories, abatement, vulnerability and adaptation, emission factors.

During the process of elaborating the First National Communication relevant information was identified that enabled the country to identify abatement options, technology and capacity building needs and define strategies for the implementation of abatement and adaptation actions. Furthermore, requirements on public awareness campaigns were defined.

Implementing Phase I has represented two years of national effort between the Ministry of Environment and Natural Resources, together with two universities, national experts teams and the national co-ordinating committee. The Salvadoran government has taken another step toward the establishment of the Climate Change Unit within the Ministry of the Environment and Natural Resources, so as to guarantee the continuity of actions within the framework of the National Strategy on Climate Change.

Since the elaboration of national communications is a permanent process and the Government has expressed its willingness to define and implement a national climate change strategy, the creation of national capabilities will continue to be one of the main tasks for guaranteeing the effective participation of the relevant stakeholders on a permanent basis and in the long term, as El Salvador moves towards tightly linking the climate change issue with national priorities.

2. ACTIVITIES TO BE INVOLVED IN PHASE II PROJECT:

The purpose of the Phase II activities is to create sustainable national capabilities aimed at adequately responding to the challenges associated with the commitments to the Convention. The objective is to foster and strengthen the active participation of key sectors in the definition and execution of the actions necessary to fulfil the Convention's objective. Given the importance of creating national capabilities to effectively manage climate change, and specifically the institutional strengthening required to guarantee the continuity of ongoing efforts within the framework of the commitments made before the Convention, the Phase II project will focus mainly on (a) implementing and refining National Climate Change Strategy in a participatory manner (b) institutional strengthening, and (c) public awareness in relevant sectors and institutions.

A. Technology Transfer:

(ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects

Building upon the activities funded in Phase I (US\$ 10,000) where technological needs and constraints were examined, capacity building will be required to establish and consolidate an adequate institutional framework for the short and long term compliance with the Convention, and in particular to allow for the assessment of technology needs and the hosting of projects:

- implementing and refining the National Strategy for Climate Change, and the institutional arrangements and entities required for its execution;
- definition of the role, nature, scope, accountabilities and composition of each one of the institutional arrangements or entities to be created; and,
- identification of the capacity building needs in terms of human and material resources and training requirements for the adequate implementation of the National Strategy for Climate Change.

To foster and strengthen the active participation of key sectors in the definition and execution of the actions necessary to fulfil the Convention's ultimate objective, particularly regarding the design and evaluation of projects, the following activities will be conducted:

- design of an information system for the updating and improvement of the national GHG inventory;
- elaboration of reference guidelines and technical criteria for the development of the abatement projects cycle and endorsement procedures; and,
- development of workshops to discuss the technical aspects related to endorsement procedures, and the use of reference guidelines, benchmarks, environmental additionality, certification, and trade.
- development of sectional dissemination and discussion workshops on the climate change issue, both regarding vulnerability, adaptation, and abatement actions.

At the end of Phase II the following outcomes would be achieved:

- a National Climate Change Strategy redefined and agreed upon by relevant stakeholders;
- institutional arrangements and relevant entities for the effective implementation of the Climate Change National Strategy agreed and, where possible, established;
- capacity building needs identified and an institutional strengthening program outlined.
- information system for the national GHG inventory designed; and,
- reference guidelines for abatement projects and endorsement procedures elaborated.

3. PROJECT MANAGEMENT/INSTITUTIONAL ARRANGEMENT:

The Ministry of the Environment and Natural Resources (MARN), in addition to co-ordinating the preparation and execution of the National Program for Climate Change, is in charge of making the necessary institutional arrangements for its enforcement. To this end, specialised institutional mechanisms in climate change will be designed to achieve:

- an effective cross-sector and inter-institutional co-ordination to allow the execution of national abatement and adaptation activities;
- a permanent relationship with national universities and research centres to define and develop research programmes in association with the international scientific community; and,
- liaison with local and regional levels to exchange information and promote abatement and adaptation projects in face of the variability and global climate change.

The project management will be conducted by the Climate Change Unit (CCU), which was recently created within the Ministry of Environment and Natural Resources. The CCU is currently the Focal Point before the Convention, and would carry out the co-ordination and follow-up of the implementation of the national commitments on that subject. Furthermore, the CCU will be responsible for co-ordinating the elaboration and implementation of a National Program on Climate Change. The CCU co-ordinator has been and will continue to be in charge of the process of elaborating and reporting national communications.

Additional institutional mechanisms will be strengthened or created for the implementation of the National Programme on Climate Change, and will enable the implementation of the GEF-project Phase II as well; namely:

- a National Commission (political public level);
- a National Scientific Committee (academia); and,
- a National Co-ordination Committee (inter-sectoral level).

Under the process of elaborating the First National Communication, two universities were involved under the framework of a technical co-operation agreement, and four expert teams were established to elaborate the various climate change studies. During Phase II, the links with universities would be strengthened and broadened. The establishment of the two national commissions and the restructuring of the national co-ordinating committee will enable the private sector, local governments, and NGOs to get involved in defining and implementing Phase II-related actions.

Accordingly, national experts that were previously involved in Phase I will participate in Phase II activities according to their profiles and expertise. Efforts will be made to improve their capabilities and to have them engaged in climate change activities on a permanent basis under the framework of the institutions they work for.

For the implementation of Phase II, the CCU will request the expertise of a regional expert institution, in order to take advantage of their involvement in successful national experiences in the Latin American region in redefining National Climate Change Strategies and implementing appropriate institutional arrangements.

During the project implementation, technical advice will be needed from the same regional institution to elaborate, together with national teams, a capacity building needs assessment, an outline for an institutional strengthening program, guidelines for abatement projects, and an information system for the national GHG inventory.

4. MONITORING AND EVALUATION:

Prior to the release of GEF additional financing by the UNDP for Phase II activities, standard UNDP monitoring and evaluation practices will be followed for Phase I. In particular, the UNDP will receive a copy of the latest (i.e., within the past six months) Annual Programme/Project Report (APR) and the Tripartite Review (TPR) Report. At the end of Phase II, a Terminal Report on Phase II will be submitted to the UNDP Headquarters.

Before starting the implementation of Phase II-project, there will be a planning effort conducted by the CCU, with the intent of defining the proper "outcome indicators" and the sources of information as well: a logic framework will be elaborated. That will enable the real measurement of the project progress and the objective evaluation of the outcomes and purpose accomplishment.

There will be two TPR evaluation sessions during the project, with representatives of the Foreign Affairs and Environment and Natural Resources Ministries and the UNDP local bureau. Two sessions are planned: one at the beginning of Phase II, in which participants will evaluate the results of Phase I and will discuss the purpose, outcomes, activities, stakeholders and monitoring mechanisms of Phase II as well. The second session will take place at the end of Phase II. Progress monthly reports and quarterly in-depth reports will be elaborated by the CCU co-ordination.

Furthermore, an external review will be requested before a well-known programme (e.g., National Communication Support Programme), to obtain advice on how to improve the effectiveness of the project. The appropriate time for the external review will be established during the planning step of Phase II implementation.

Results of Phase II are planned with view to the proper implementation of the National Strategy and to better approach further steps in the continuous process of elaborating and reporting national communications. The ultimate purpose of the capacity building process is to enable the nation to deal with climate change impacts and, as possible, to contribute to abatement actions.

TABLE C 2

ACTIVITY MATRIX FOR PHASE II OF CLIMATE CHANGE ENABLING ACTIVITIES IN**Priority activities for additional (interim) funding**

Note: x denotes activities covered by the proposed project

Activity	Planning and Execution	Capacity Maintenance/ Enhancement		
		Data Gathering and Research	Institutional Strengthening	Training, Education and Public Awareness
2. A (i) Identification and submission of technology needs				
2. A. (ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects	X		X	X
2. B. Capacity building for participation in systematic observation networks				
2. C. Preparation of programs to address climate change				

TABLE D 2
PROJECT BUDGET ACCORDING TO GEF ACTIVITY NORMS IN US DOLLARS
 Cost estimates for (interim) priority activities

Activity	Planning and Execution	Capacity Maintenance/ Enhancement			Technical and Administrative Support	Cost Estimates
		Data Gathering and Research	Institutional Strengthening	Training, Education and Public Awareness		
2.A (i) Identification and submission of technology needs	27,500		25,000	35,000		87,500
2. A (ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects						
2. B. Capacity building for participation in systematic observation networks						
2. C. Preparation of programs to address climate change						
3. Project management					10,000	10,000
4. Monitoring & Evaluation	2,500					2,500
Total	30,000		25,000	35,000	10,000	100,000