



United Nations Development Programme

Country: Global

PROJECT DOCUMENT¹

Project Title: National Communications to the United Nations Framework Convention on Climate Change (UNFCCC)

United Nations Development Programme (UNDP) Strategic Plan Environment and Sustainable Development

Primary Outcome: Promote climate change responses

UNDP Strategic Plan Secondary Outcome: Mainstreaming environment (climate change)

Executing Entity/Implementing Partner: National Execution

Implementing Entity: UNDP

Brief Description

Using an umbrella and decentralized approach, UNDP will support 30 countries for the preparation of their Third National Communications (NCs) to the United Nations Framework on Climate Change Convention (UNFCCC). With funding provided by the GEF, this Umbrella Project represents a critical support to the preparation and submission of NCs, which is the only commitment of Non-Annex I Parties under the Convention as contained in its Article 12.1. This important reporting requirement offers countries the opportunity to document domestic efforts aimed at addressing climate change. The NCs also enables countries to share climate relevant information amongst different stakeholders including the Conference of the Parties, national policy-makers, and the wider national audience, as well as with multilateral and bilateral development partners. The provision of continuous financial support for the preparation of NCs will ensure that the momentum and capacities created through the previous NC formulation processes are maintained and strengthened.

Adopting a decentralised approach, and following the GEF Operational Procedures for National Communications, UNDP will be responsible for the processing and approval of the project proposals, which will reduce administration burden on governments and Country Offices, reduce transaction costs for the GEF, and improve quality of programming. UNDP will provide reporting of programme results to the GEF Secretariat, thorough biannual status reports. The core focus of the project is capacity building climate change, technical and policy studies on greenhouse gas inventories, vulnerability and adaptation assessment, mitigation of GHG emissions, capacity building, knowledge sharing and dissemination of best practices/lessons learned, and linkages between climate change concerns with development priorities. The key outcome of the project is 30 NC reports submitted to the UNFCCC.

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Project ID:	<u>tbd</u>
PIMS Number:	4357
Start date:	3 May 2010
End Date:	1 May 2014
Management Arrangements:	NEX

Total resources required	US\$ 15,000,000
Total allocated resources:	15,000,000
• Regular	_____
• Other:	
o GEF	15,000,000
o Government	
In-kind contributions	_____

Agreed by (UNDP):

Date/Month/Year

¹ For UNDP supported GEF funded projects as this includes GEF-specific requirements.

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List of Acronyms

APR	Annual Project Review
CEO	Chief Executive Officer
CGE	Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention
CO	UNDP Country Office
COP	Conference of the Parties
GEF	Global Environment Facility
GHG	Greenhouse Gas(es)
IA(s)	Implementing Agency/-ies
IPCC	Intergovernmental Panel on Climate Change
NAPA	National Adaptation Programmes of Action
NC	National Communication(s) to the United Nations Framework Convention on Climate Change
NCSAs	National Capacity Self-Assessment
NCSP	National Communications Support Programme
PIMS	Project Information Management System
PAC	UNDP Project Appraisal Committee
PIR	Project Implementation Review
RCU	Regional Coordination Unit
SBI	Subsidiary Body for Implementation
SNC	Second National Communications
STA	Senior Technical Advisor
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
V&A	Vulnerability and Adaptation

1. SITUATION ANALYSIS

Context and global significance: Environmental, policy and institutional

The preparation and submission of National Communications is the only commitment of Non-Annex I Parties under the United Framework Convention on Climate Change (UNFCCC) as contained in its Article 12.1. This important reporting requirement offers countries the opportunity to document domestic efforts aimed at addressing climate change. The report also enables countries to share climate relevant information amongst different stakeholders including the Conference of the Parties (COP), national policy-makers, and the wider national audience, as well as with multilateral and bilateral development partners. With the increasing recognition that climate change and development are intrinsically linked and that climate impacts are a significant threat to all aspects of human development and to the achievement of the Millennium Development Goals, Non-Annex I Parties are beginning to use the NC outcomes and process as a strategic tool to assist them in aligning legitimate national interests and priorities to the overall goals of the UNFCCC. While international efforts to enhance adaptive capacities of human and natural ecosystems to adequately adapt to the impacts of climate change gather momentum, the need for accurate, consistent, and internationally comparable data on national greenhouse gas (GHG) emissions and appropriate mitigation and adaptation actions are becoming more and more apparent. The NCs have played and continue to play a critical role in developing countries' efforts to address climate change concern in a comprehensive manner.

Technical capacity in different areas of climate change has increased significantly as a result of the NC process in the majority of the countries. These capacities include the preparation of greenhouse gas (GHG) emissions inventories, compilation of relevant data and analysis of critical gaps to improve GHG emission estimates, analysis of the GHG emission reduction potential and mitigation options, and an increasing understanding of climate risks and climate change through the vulnerability and adaptation. The NCs are also playing an increasing role in helping government bridge climate change adaptation, disaster management and development sectors, amongst many others. The NCs have also played a very important role in raising public awareness and political support to the climate change agenda at the national level.

However, the capacity to produce the NC's has varied among regions and countries, with Africa requiring significant support primarily due to lack of availability of local expertise for individual sectors of the NC. Thus the increase in technical expertise at the national level is still uneven. Many countries have conducted capacity building activities to expand the range of expertise and skills required for the preparation of NCs. Experts are now available in different areas such as GHG inventories and vulnerability and adaptation (V&A) assessments. Countries have become more familiarized with a wider number of tools, including the IPCC GHG Inventory Methodologies, and models for the mitigation analysis and V&A studies. Many NC reports now include more detailed discussions on climate scenarios, which, although still requiring further improvements, are a significant step forward in analysing climate trends, impacts and possible adaptation options. Furthermore, a number of complex areas of the NCs still pose a great challenge to countries that have made significant capacity development efforts. Areas that require further improvements include the development and use of state of the art climate scenario information, a more thorough assessment of socio-economic impacts of climate change, cost-comparison of adaptation options, and analysis of cost-effective mitigation in the context of low carbon development. Improvement of GHG emissions inventory and the development of sound national frameworks for sustainable GHG inventory process are also areas that can be further improved in the NCs. In this context, the project will expand opportunities to countries to address these priority areas through their NC projects.

A great number of Second National Communications (SNC) are about to be completed or are in an advanced stage of preparation.² As countries finalise their SNC, there is concern that a funding gap may hinder the progress countries have made to date to consolidate the NC process. The Subsidiary Body for Implementation (SBI) has recently recognised the importance of the continuity of the NC preparation process. In draft conclusions of the SBI's thirtieth session, under Agenda item 4 (c) *Provision of financial and technical support of National communications from Parties not included in Annex I to the Convention*, the SBI "encouraged Non-Annex I Parties to submit project proposals for the funding of their subsequent national communications before completion of their current national communications, in order to avoid a lack of continuity in project financing". In the same conclusions the SBI "...urged the GEF, in accordance with decision 4/CP.14, to ensure, as a top priority, that sufficient financial resources are provided to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1, of the Convention, noting and welcoming that a number of Non-Annex I Parties plan to initiate the preparation of their third or fourth national communications by the end of the fourth replenishment of the GEF." Thus, the provision of continuous financial support for the preparation of NC will ensure that the momentum and capacities created through the previous NC formulation processes are maintained and strengthened.

Institutional arrangements and participation of many relevant parties are also a key of the NCs. Countries have made significant efforts to incorporate a wider range of stakeholders in the NC through advisory committees and consultations across different sectors. Institutional coordination among government entities and other institutions has further strengthened the political support to the NCs. This has in turn created higher awareness on climate change issues, which is currently reflected in a great interest from many countries in using the NCs as a vehicle to foster actions and policies to address climate change. At a number of SNC regional workshops held under the ongoing National Communications Support Programme (NCSP), there have been intense debates on the need to use the NCs as a strategic document to support decision-making at different levels (sectoral, local, national). At these workshops countries have discussed how the NC process and outputs can also support national efforts to link climate change with development needs and planning processes. Thus the whole process of preparing NC set up by the countries needs to be maintained and sustained; otherwise re-establishing the NC process will be more costly and the process itself will lose momentum if financial gaps are not avoided.

Threats, root causes

Climate change poses an increasing risk to developing countries in all regions. The most vulnerable countries are those where climate change will have the greatest impacts and where capacities and resources to adapt and address climate change risks are very low. While adaptation to climate change is the highest priority in the majority of the countries, efforts are also being made to improve their GHG emissions estimate through the compilation of more reliable data and the establishment of better inventory systems. In this context, countries are also identifying ways to reduce GHG emissions trends in the longer term through the identification of mitigation options. However, in many countries these efforts represent an additional burden to the many pressing priorities countries face to address development needs. Climate change and its associated risks are already generating impacts in many sectors (agriculture, water, infrastructure in coastal areas) and at different levels in society. Communities whose livelihoods are highly dependent on natural resources are at the highest risks, facing increasing losses in their incomes and in many cases a significant threat to their survival.

² As per the last survey compiled by UNDP and UNEP, approximately 80 countries intend to complete their SNC reports by end of 2010. It is estimated that at least 50 countries will plan to request funding for the next NC project before July 2010.

Thus the economy and population in many countries are largely dependent on primary food production and natural resources. The findings of a number of National Communications and related studies show that agriculture contributes to a very high proportion of the GDP in these countries (ranging from 20 to 40% in many cases) and employs a very high proportion of the population (up to 75%, especially in the Least Developed Countries). However, this agriculture is based on small scale farming with low yields, non use of inputs and mostly rainwater agriculture. The reliance of the economy and employment on a sector that is particularly vulnerable to climate change represents a dramatic example of how climate change can put large populations at very high risks.

Similarly, water shortage that has been prevalent in many dry areas is increasingly becoming a serious threat to development and to the achievement of the Millennium Development Goals (MDGs). Large communities in many developing countries, especially in the African region, are currently facing significant water deficits for domestic consumption, increasing the rates of water-borne diseases. Climate change scenarios indicate that water shortage will become more prevalent while combined with extreme rainy seasons that can cause extensive flooding in short periods of time.

These climate-related risks are not new and countries have dealt with such risks to different extents. However, as climate change increased the frequency of extreme events and generates impacts on an already fragile ecosystem, rural areas and crowded urban population, national governments will be confronted with greater challenges. Limited technical expertise and institutional capacity increase the vulnerability of populations to climate change, which representing new and additional constraints that countries have to address in their development efforts. To a different extent, countries face environmental pressures on natural resources, demographic growth, increasing agriculture areas, rising food demand, depletion of forest areas, and increasing energy demand. Combined with the effects of climate risks, these environmental pressures will decrease the adaptive capacity of vulnerable populations and will need to be considered in any initiative to address climate change.

Long-term solution and barriers to achieving the solution

National Communications have a great potential to provide a substantive basis for the design of climate change policies at the national level. As they represent the only reporting obligation under the Convention, National Communications benefit from a strong political support in most countries. In the long run, the capacities that are being generated through the National Communications will help countries define more comprehensive strategies to respond to the climate change challenge. A great number of institutions and stakeholders have been engaged, directly or indirectly, in the preparation of a wide range of technical studies for the National Communications. These studies are contributing not only to the understanding of climate change at the national level but also to the identification of measures and policies that governments may need to consider in addressing climate change and its linkage with development needs.

A key element to a long-term approach to the threat that climate change poses to countries is the continuous enhancement of technical knowledge and policy actions. Government decisions in many areas and sectors, without taking into consideration potential climate risks, can lead to inadequate policy design. This in turn may increase the vulnerability of sectors, regions and communities, rather than contributing to the enhancement of climate resilience. As explained earlier, although countries have made significant progress in their efforts to address climate change as a cross-cutting issue, lack of continuity of these efforts represent one of the greatest challenges to long-term policy design in this area. The National Communications have assisted many Governments in setting up the institutional structures to deal with climate change in a more comprehensive and coordinated manner, usually through the creation of specialized departments or units. In addition to being responsible for the preparation of the National

Communications, these departments play an important role in overseeing climate change initiatives being developed in different areas and in facilitating the participation of numerous institutions and stakeholders in climate change discussions. They are also instrumental in the dissemination of public awareness campaigns and in the facilitation of policy dialogues in the climate change area.

However, given the complex nature of climate change issues, the wide ranges of sectors, and the numerous institutions involved, these government efforts are still incipient in many ways. While previous National Communications have provided the basis for the institutional structures to tackle climate change, they continue to be a central element of countries efforts to create and consolidate their climate change agendas. Long-term planning is intrinsic to any initiative to enhance climate resilience and adopt mitigation measures to reduce GHG emissions in the longer term. Furthermore, the technical teams, coordination mechanisms, capacity development initiatives, and policy discussions in climate change still rely on the infrastructure established around the preparation of National Communications. While some examples may indicate that the climate change agendas no longer depend significantly on the National Communications, these examples represent the exception rather than the norm. Thus this project will continue to assist countries to strengthen their technical capacity and institutional structures to design national climate change strategies that respond to their needs for building climate resilient societies and support development priorities.

Stakeholder and baseline analysis

The project is consistent with the priorities of countries as identified in the National Communications and the GEF Review of Climate Change Enabling Activities conducted in the past. Surveys carried out by the National Communications Support Programme (NCSP) also show that National Communications are starting to play a more important role in bringing climate change into the development agendas. Moreover, the project strategy and activities to be carried out by participating countries will ensure consistency with national development priorities and have close links and complementary aspects with other relevant initiatives including:

- The linkages between climate change and poverty reduction efforts;
- The development of national human development reports in the context of the climate change threats;
- The new initiatives most countries are putting in place to tackle climate change at different levels, including national, sectoral, local levels;
- The capacity building efforts national governments have developed to increase their participation in the climate change negotiations;
- The development of regional agendas and strategies to address climate change in a more concerted manner, where appropriate;
- The climate change mainstreaming initiatives countries are trying to establish as part of their efforts to enhance decision-making processes on climate change;
- The linkages between the NCs and other equally relevant initiatives, such as adaptation projects, the National Adaptation Programme of Actions (NAPA); mitigation projects, sectoral planning, among others.

The project is designed to complement other ongoing and planned projects and programmes without duplication. UNDP will play a pivotal role in project support by providing technical backstopping, contributing to setting up appropriate national implementation modality, supervising implementation, and mitigating project risks. The project will also share lessons and best-practices with other relevant initiatives, such as the GEF-funded Adaptation Learning Mechanism. To capitalize on regional networking, the project will create knowledge networks among climate change coordinators to facilitate

information sharing via email and internet. This enhanced exchange of South-South expertise will seek to increase national capacity through national experts in developing countries.

Through this global project and with GEF funding, UNDP will support 30³ (see annex 2) countries worldwide. Thus stakeholders' participation and their roles in the project at the country level will vary by country depending on their national circumstances. The table below provides a rather generic description of the typical institutions and stakeholders that have been involved in the preparation of previous National Communications projects.

Table 1. Stakeholders groups and their potential roles in the project

Stakeholder groups	Description or example	Potential Role in Project
Ministry/Institution responsible of the National Communication Project	Often the Ministry of Environment/Natural Resources or other relevant Institution (varies by country)	These stakeholders are not only responsible for the preparation of the National Communication but are the direct beneficiaries they will benefit from capacity development under this project.
National institutions and government ministries	Ministries of Environment, Agriculture, Energy, Economy and Finance, Planning, Fishing, Research	These would be part of the Project Steering Committee, which is responsible for providing technical and policy advice. They can be a vehicle for mainstreaming climate change into policies and strategies, through the preparation, adoption and implementation of concrete actions. They can also benefit from capacity development under this project.
Private Associations	Industries, agriculture, transport, commerce	These can be a direct source of data in specialized areas and in the data validation process. They would also benefit from capacity development under this project.
Local organizations	In some countries the National Communications are disseminated at the local level in order to disseminate climate change issues to a broader range of stakeholders, especially to those communities that may be most affected by climate change.	These can be a vehicle for introducing new ideas in the NC process. They would also benefit from capacity development under this project.
Research and technical institutes	Universities, specialized research institutes	These will provide the scientific basis for rational management of coastal zones.

³ Although funding for TNC (including SNC in a few cases) would initially be allocated to 30 countries through UNDP, the list of countries (see Annex 2) includes 38 countries who have expressed interest in receiving GEF funding.

National Meteorological Services, statistics Departments	The National Meteorology Direction and its decentralized services	These are usually involved in providing the data required and the basis to gather and analyze climate and other relevant data. They can also benefit from capacity building under this project
International organizations	UNDP Country Office and other UN agencies, GEF Focal point, other multilateral agencies and bilateral agencies (where appropriate)	These would provide the technical and other relevant data depending on the institutional structure of the project at the country level
National NGOs and associations	Local, national NGOs that are active in the area of climate change, environmental protection and management, and other relevant areas.	These can be potential financial or technical partners. Local NGOs can be a vehicle for introducing new ideas. They can also benefit from capacity development under this project.

2. Project Strategy

GEF financial support

The provision of continuous GEF financial support for the preparation of NC will ensure that the momentum and capacities created through the previous NC formulation processes are maintained and strengthened. Countries have made significant efforts to incorporate a wider range of stakeholders in the NC through advisory committees and consultations across different sectors. Institutional coordination among government entities and other institutions has further strengthened the political support to the NC. This has in turn created higher awareness on climate change issues, which is currently reflected in the interest of many countries to use the NC as a vehicle to foster actions and policies to address climate change. At a number of SNC regional workshops held under the ongoing NCSP, there have been intense debates on the need to use the NC as a strategic document to support decision-making. At these workshops countries have discussed how the NC process and outputs can also support national efforts to link climate change with development needs and planning processes. Thus the whole process of preparing NC set up by the countries needs to be maintained and sustained; otherwise re-establishing the NC process will be more costly and the process itself will lose momentum if financial gaps are not avoided.

With GEF funding, the project will support the preparation of NCs to the UNFCCC in 50 countries during the remaining period of GEF-4. Additional GEF grant financing would be made available during the GEF-5 work programme to support all eligible Non-Annex I Parties which were unable to receive funding for the preparation of their NCs during GEF-4. Of the 50 countries to be covered under this umbrella project, UNDP will work with 30 countries, giving priorities to those countries that have either completed their SNCs or are at a very advanced stage (e.g. planning to complete their SNCs within the next 3-6 months).

The NCs will provide detailed and improved GHG emission inventories, mitigation analysis, as well as vulnerability and adaptation (V&A) assessments. Often they form the basis for project design and policy recommendations to address climate change. Countries will continue to use the UNFCCC Guidelines for the preparation of NC, adopted in 2002 at the Eighth COP meeting, which are contained in the annex to Decision 17/CP.8. An emphasis will be made to the improvement of the quality of the NC components by using, for example, the key sources approach for the GHG inventories to identify the most important

sources of greenhouse emission at national level and as an appropriate Adaptation Policy Framework for the V&A assessments. Countries will continue to use the UNFCCC Guidelines for the preparation of NC, adopted in 2002 at the Eighth COP meeting, which are contained in the annex to Decision 17/CP.8.

An emphasis will be made to the improvement of the quality of the NC components by using, for example, the key sources approach for the GHG inventories to ensure that most relevant emission sources are given highest priority. Similarly, the V&A studies will put emphasis in developing adaptation policy frameworks to identify policies and measures that are relevant to and consistent with national development priorities. In the context of mitigation, the NCs will seek to include a more comprehensive analysis of emission reduction potentials that are framed in countries efforts to support low-carbon growth paths. Even though Non-Annex I Parties do not yet have obligations to adopt emission reduction targets, current negotiation under the Conventions are likely to include agreement calling for developing countries to report on their mitigation actions. The existing UNFCCC User Manual will assist Non-Annex I Countries in preparing their subsequent NC until new reporting guidelines might be adopted by the COP. Although any new guidance on NCs may take up to two years to be approved, the project will closely follow any evolvments in the Convention Guidelines to introduce any necessary adjustments to NC projects, as appropriate, but more importantly, to secure the national teams receive adequate technical support from the Implementing Agencies.

Project Objective and components

The *programme's overall objective* is to provide financial and technical support for the preparation of National Communications to the United Nations Framework Convention on Climate Change (UNFCCC), which is responsive to national development needs in Non-Annex I Parties. This GEF funding will facilitate timely support to countries as it will help national governments ensure that technical capacities and institutional mechanisms created through the preparation of their previous NC are not lost or disrupted as a result of funding gaps. Furthermore, UNDP will work closely with countries in the formulation of the project proposals and in the implementation phase so that targeted support is provided to national teams in their efforts to improve the quality of their studies and consequently the quality of the NC reports submitted to the UNFCCC.

This proposed Umbrella Project consists of two components with bottom-up support activities at the country level:

- Component 1: National stocktaking and stakeholder consultations for the formulation of NC project proposals
- Component 2: Implementation of NC projects at the country level.

Under *Component 1: National stocktaking and stakeholder consultations*, the goal is to make the NC self-assessment exercise more country-driven and inclusive. Specific outcomes of the component include:

- Enhanced national ownership of the NC process;
- Improved NC project proposals responsive to national development needs.

National teams will be provided with guidance on how to conduct a thorough assessment of activities and results achieved under the SNCs. This assessment is the central element of the stocktaking, as it will ensure that project proposals for Third NCs address critical gaps and expand the areas of works, as needed. Thus the stocktaking will not be a stand-alone activity but rather a key aspect of the preparation of the Third NC project proposal in which linkages with the previous experiences and results will be

clearly spelled out. Annex 1 provides guidance to assist in the preparation of project proposals for national communications through the self-assessment exercise.

The stocktaking exercise will also identify, where applicable, how the Third NCs will build on other on-going relevant activities and projects. As climate change starts playing a more important role at the country level, the number of national initiatives addressing climate issues in different areas has significantly increased in the past few years. Such initiatives, funded through multilateral organizations, bilateral assistance or even through national budgetary provisions, provide a valuable opportunity to link the NC process with national development needs more effectively. The stocktaking exercise will also identify lessons learned in the SNCs, which will include technical issues but also experiences of process/arrangements adopted under the SNC that can provide good practices for the preparation of the Third NCs.

National ownership of the NC process and outputs will be enhanced through an expanded participatory practice. The majority of the countries engaged in the SNCs have included a wider range of institutions and stakeholders in both the preparatory and implementation phases of the NC projects. Research institutions, academia and civil societies have contributed to the discussions and preparation of the technical studies; and have enhanced their own capacities in the climate change area. The SNCs have also helped governments bring climate change issues to a wider audience by developing a public awareness agenda. However, given the significant potential impacts that climate change is expected to have in the majority of the countries, greater efforts will be needed in expanding, even further, the participation of government and non-government organizations. The Third NCs can play a pivotal role and provide a sound basis to tackle climate change more effectively through enhanced ownership at different levels.

Under *Component 2: Implementation of NC projects at the country level*, the global project will ensure that national teams carry out their Third NC following standard methodologies, where applicable, with the appropriate technical backstopping to ensure that the NC reports submitted to the Conference of the Parties comply with quality standards. Specific outcomes of the component include:

- Support provided to Non-Annex I Parties to meet their obligation under the UNFCCC;
- Linkage between climate change and development priorities/planning process strengthened through the NC process.

Building on their long-standing experience in assisting countries with their NC, the Implementing Agencies will continue to provide quality control of the technical studies carried out under the projects. IA's support will ensure that project activities are country-driven, with the highest participation of national experts in the implementation of the project activities and with the appropriate guidance through the expertise available in-house and through regional/international centres. Technical backstopping will seek to provide targeted assistance on the main areas of work, addressing methodological issues and resolving data gaps in the areas of GHG inventories, incorporating actions for inventory sustainability; enhancing the mitigation analysis conducted in previous NCs, strengthening the linkages to development needs; and expanding the work on vulnerability and adaptation assessments with policies and measures identified in priority areas.

The NC started to play a role in countries' efforts to integrate climate change issues into national development priorities. These efforts are still at an incipient phase but are demonstrating that the NCs can become an effective means to bring the climate change agenda to the decision making processes at different levels. However, despite the general understanding that climate change is a sustainable development issue, it is often unclear how to ensure that climate change adaptation and mitigation are actually considered in the framework of sustainable development. One approach is to link climate change policies and actions to national sustainable development policies and plans. These tools enable a country

to consider the economic, social and environmental needs for and effects of such policies and actions in an integrated manner. They provide a framework to harness the co-benefits of climate change related actions for other sustainable development objectives. The Implementing Agencies will work with national counterparts in the design of a strategy to identify the entry points that would facilitate climate integration into development priorities.

Country Ownership: Country Eligibility and Country Drivenness

All the participating countries have ratified the Climate Change Convention. They have also ratified the Kyoto Protocol. As Non-Annex I Parties, all participating countries are fully eligible for GEF funds for the preparation of their National Communications. The key requirement/first activity under these Enabling Activities is the completion of their previous National Communication to the UNFCCC. In response to the COP request to the GEF, Non-Annex I Parties are eligible to request GEF funding for the preparation of their next NC while they complete their current NC project. However, Parties requesting this GEF support that have not completed their current NC projects must be able to demonstrate substantive progress in order to access preparatory funds (e.g., funds to formulate the project proposal for review and approval by UNDP as the Implementing Agency). It is also important to note that a Party must have submitted their National Communication Report to the UNFCCC before funding for the implementation of the next National Communication is disbursed by the Implementing Agency.

The project is consistent with the priorities of countries as identified in the Initial National Communications as well as national development planning documents. The primary stakeholders are the national climate change teams with enabling activities and key institutions directly involved in the project at the country level. The secondary stakeholders are the broader range of institutions to be consulted during the stocktaking exercise and national stakeholder consultations. This proposal originated from the need expressed by Non-Annex I Parties for adequate support for the preparation of their National Communication and on the mandate given by the COP to the GEF for the provision of funding support for these Enabling Activities on a continuous basis. This project is addressing several priority areas identified by Parties in their National Communications. Some of these priorities include:

- Developing technical and institutional capacities for the preparation of National Communications in a more sustainable manner;
- Improving GHG emission inventories and enhancing inventory systems;
- Strengthening the vulnerability and adaptation studies in order to define adaptation actions that are consistent with development priorities;
- Enhancing capacities to conduct mitigation analysis;
- Improving information, education and communication on climate risks and public awareness to a broader range of stakeholders.

The proposed project thus constitutes a response to the need to strengthen the National Communication Process at the country level. This proposal has been elaborated taking into account the priorities expressed by countries, through surveys carried out by UNDP, regarding the need to enhance technical capacity in the key components of the National Communications.

Moreover, the project strategy and activities seek to assist countries ensure consistency of climate change with national development priorities and identify complementary links with the primary national development initiatives. The project is designed to complement other ongoing and planned projects and programmes without duplicating them. The UNDP will play a pivotal role in project support and

facilitating project implementation at the country level, advising on implementation modality, supervising implementation, and mitigating project risks. Finally, the project will be monitored in line with the standard UNDP/GEF monitoring and evaluation procedures. Adaptive management will be a key component of the management approach.

Table 2: Project Risk Log

Risk	Level of Risk	Commentary and Mitigating Strategies and Actions
<p>National experts do face difficulties in enhancing the depth and quality of assessments to be carried out under this project due to limited capacities and lack of adequate climate relevant data, information and appropriate analytical tools in almost all thematic areas but especially in the areas of vulnerability and adaptation and mainstreaming climate change issues into national and sectoral planning frameworks.</p>	<p>Moderate</p>	<p>IAs will raise the level of project supervision and work closely with the new constituted Consultative Group of Experts on National Communications from Non-Annex I countries (CGE) to help countries identify regional centres of excellence in both Annex I and Non-Annex I countries to help countries access climate relevant data, information and appropriate analytical tools particularly in the areas of vulnerability and adaptation. These centres of excellence will provide technical assistance to country teams to enhance overall quality of the National Communication reports.</p> <p>Additionally, UNDP would encourage peer support by linking up country teams to exchange data and information, tools and methodologies, lessons learnt and good practices to enhance the quality and utility of national reports. Even in countries where capacity of national experts is a constraint, every effort will be made to ensure that the project outputs are based on sound science and well established technologies</p>
<p>Limited consultations and weak participation process amongst stakeholders due to institutional rivalries and rigidities which hampering responsiveness of project outputs to national development needs as well as effective work delivery and quality of the outputs.</p>	<p>Moderate</p>	<p>Set of guidance notes for stocktaking and national consultations have been produced and appended to this document. National Project Coordinators will be requested to provide evidence of active involvement of stakeholders, practitioners and/or the general public in all facets of project proposal development and in the implementation of project activities in their reports, which will be regularly reviewed by the respective UNDP task manager at the Country Office.</p> <p>It is important to ensure that project is known beyond implementation partners that there are no misunderstandings concerning objectives and activities. Efforts will be made to ensure that the project is addressing both short term needs of meeting convention requirements and also achieving results with a long term perspective of helping countries address climate change issues in a more sustainable manner</p>
<p>Challenges faced by some countries in particular the least developed countries (LDCs) and Small Islands Developing States (SIDS) due to low technical and managerial capacities as well as institutional limitations to complete all project activities and submit TNC/SNC to UNFCCC Secretariat within 3 years after initial disbursement of funds.</p>	<p>Moderate</p>	<p>IAs will work closely with the national teams and responsible institutions to ensure that financial provisions made in the project document to secure technical assistance are effectively deployed to address these challenges.</p> <p>IAs will through regular monitoring of project activities at the national level and identification of technical bottlenecks, work to assist countries secure the needed external support to ensure effective and timely work delivery. This includes advice on access to methodological tools, development of terms of references for the technical studies, and coordination with relevant stakeholders, etc</p>

Risk	Level of Risk	Commentary and Mitigating Strategies and Actions
<p>High staff turnover in many countries have tended to affect not only the quality of the studies but also the timeliness of delivery of project outputs. The delays in completing project activities within the stipulated time frames imply that:</p> <ol style="list-style-type: none"> a. national executing agencies will have to find additional funds from their limited financial resources to cover additional project management costs at the national level b. IAs will also have to find additional funds to continue meeting their oversight and supervision responsibilities. 	Moderate	<p>As a result of recent increased interest in climate change issues by national governments, countries will be encouraged to set up permanent and adequately staffed climate change offices to ensure sustainability of the national communications process including easy access to information, data and tools used for climate change studies. All efforts will be applied to ensure that</p> <p>IAs will continue to insist on national project coordinators meeting their quarterly reporting requirements and highlighting clearly in these reports emerging challenges and risks mitigating effective delivery of project outputs</p> <p>Wherever there is evidence that project output delivery are affected by politically motivated choices, appropriate mitigation provisions in the project document will be applied to promptly address the problem</p>
<p>The introduction of new reporting guidelines with greater reporting obligations after the commencement of this project</p>	Low	<p>UNEP and UNDP will work GEF Secretariat to enhance the scope of this project in terms of its deliverables together with its associated budget so as to adequately meet the needs of countries with respect to the increased reporting obligations under the UNFCCC.</p>

Sustainability and Replicability

The project has strong government support at both central and local levels. The project will contribute to the incorporation of adaptive measures to address additional risks posed by climate change within national and sectoral development strategies. This project will effectively mainstream climate change into relevant ‘governance frameworks’ such as the PDL, the investment plans, and national policies and strategies, thus ensuring the sustainability of the intervention.

The long-term project viability and sustainability will depend greatly on its ‘ownership’ and on ‘institutionalization’ of the capacity that is built by the project. All capacity building activities foreseen in the project are thought out so as to have a lasting impact at the national level, e.g. training components will be planned based on needs assessments. It will equally build on the ‘multiplier-effect’ of training trainers. By maintaining consistent institutional partnerships with other relevant initiatives, this project seeks to provide a level effect on other sources of funding for adaptation both in coastal zone and at the country level. Finally, lessons learned from the implementation of this project will be compiled and diffused to a broad range of stakeholders, using a systemic framework, and the project will make use of the GEF ALM so as to ensure that the lessons learnt from the project contribute to, and benefit from, experiences in climate change across the entire GEF portfolio.

Consistency of the project with national/regional priorities/plans:

The project stems from Article 12.1 of the UNFCCC as well as COP decisions requesting the GEF to ensure continuous financial and technical support to Non-Annex I Parties for the preparation of their NC. At the national level, countries have highlighted the need to link their NC process more effectively with policy-making to address climate change concerns. Furthermore, countries have set up national steering committees and climate change units, usually supported by a formal institutional structure, to facilitate the

preparation of their NC on a continuous basis. However, in most countries, this institutional framework is fairly weak and only functional where there are ongoing climate-change enabling activity projects. As governments pay increasing attention to the threat of climate change to development, the NC are starting to play a more prominent role in shaping the climate change agendas at many levels, including sectors and regions.

Consistency of the project with GEF strategies and strategic programmes:

The project is an element of the GEF's strategy to support enabling activities and capacity development in climate change. The project is consistent with GEF priorities to enhance national ownership of climate change activities and strengthen countries' capacities to fulfil their commitments under the Convention. As the project will support studies in the areas of national GHG inventories, mitigation, and V&A assessments under the NC, it will provide an important basis for countries to formulate project proposals under the areas of mitigation and adaptation to climate change, which are responsive to their national development needs. The project will also support the goals of technology transfer activities, as it will be closely linked with countries efforts to prioritise their technology needs through robust Technology Needs Assessments and preparation of national technology action plans, also funded by the GEF. This is a Climate Change Enabling Activity and in accordance with convention guidance implemented on an agreed full cost basis requiring only in-kind contribution by GEF-eligible countries. The project responds to a specific UNFCCC decision regarding the GEF support to Non-Annex I Parties for the preparation of their NC to the UNFCCC.

GEF's enabling activities have traditionally been the basis for capacity building at the country level. Even though incremental reasoning is not applicable to this kind of project, the NC can indirectly be associated with global benefits through capacity development mainly in the areas of GHG inventories and emission reductions. In the absence of the project, once countries will have completed their current NC, the teams and structures created in most of the cases on a project basis will be spread out and may be lost. This project will contribute to an enhanced and maintained capacity of the Non-Annex 1 countries as well as a better quality of the subsequent NC report. Improved reports and enhanced capacities of Non-Annex 1 Countries mean a better response to the implementation process of the UNFCCC.

In addition, the majority of countries under the NC conduct a mitigation analysis involving relevant institutions and stakeholders to identify emission reduction potential and possible mitigation measures. In many cases, this analysis provides the basis for the formulation of project proposals dealing with specific mitigation options in the energy and other relevant sectors. In other cases, the NC identify their technology needs to address climate change, which can also provide the basis or overall framework for technology priorities at the sectoral level, often related to energy efficiency and other technologies conducive to emission reductions.

Coordination with other related initiatives:

The project will coordinate closely with the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention (CGE) and will draw on their work regarding guidelines and training materials for the preparation of NC. The project will use methodologies recommended by the UNFCCC (see reference to the UNFCCC User Manual) and will build on the work carried out under previous NC, as well on the workshops and guidance materials developed by the National Communications Support Programme under the previous umbrella project. Where appropriate, coordination will be ensured with Technology Needs Assessments, National Adaptation Programmes of Action (NAPA) follow-up projects, and other relevant initiatives, to avoid duplication of work. Other relevant work supported by the UNDP and UNEP at the national level will also be used to provide necessary linkages with development priorities.

3. PROJECT RESULTS FRAMEWORK:

Primary applicable Key Environment and Sustainable Development Key Result Area: 3. Promote climate change adaptation.					
Applicable GEF Strategic Objective and Programme: Support to Enabling Activities (Climate Change).					
	Indicator	Baseline	Targets End of Project	Source Verification	of Risks and Assumptions
Project Objective: To provide financial and technical support for the preparation of National Communications (NC) to the United Nations Framework Convention on Climate Change (UNFCCC) which are responsive to national development needs in 50 Non-Annex I Parties.	Third National Communications produced that meet quality standards in terms of content and information provided, as per the UNFCCC guidelines	0	50 Third NC submitted to the UNFCCC.	NC reports.	- Poor political or institutional support for the preparation of the NCs. - High institutional staff turn-over
Outcome 1: Enhanced national ownership of the NC process.	Participation of stakeholders in the different steps of the NC process: - In self-assessments; - In stakeholder consultations; - In project document development.	Not quantifiable at the global level, as this will be done on a country-by-country basis. However, the project proposal will request countries to demonstrate how stakeholders' participation has increased in the Third NCs in comparison with previous NCs	25% increase in stakeholders' participation in the NCs in comparison with previous NCs.	Self-assessments; stakeholder consultation documents, project documents, NC reports.	- Stakeholders are not interested in participating in the different steps of the NC process.
Outcome 2: Improved NC project proposals responsive to national development needs.	NC project proposals explicitly include strategy and activities to use the NCs as a vehicle to facilitate/support integration of CC into relevant national development processes	0 Previous NC project proposals had not explicitly addressed the are of climate change integration	50 NC project proposals include linkages with national development planning processes.	Project documents approved by the IAs.	- Strong commitment of national teams to address integration of climate issues within the NC project proposals
Outcome 3: Support provided to Non-Annex I Parties to meet their obligation under the UNFCCC.	Activities carried out by the Implementing Agencies to support the preparation of Third NCs	0	50 countries will have been supported by the IAs in their Third NCs.	Progress reports prepared by the IAs.	- Implementing Agencies has insufficient capacity to support NCs.
Outcome 4: Linkage between climate change and development priorities/planning process strengthened through the NC.	Third NCs submitted to the UNFCCC explains how the NC process and outputs have contributed to climate change integration	0 No NC reports provide a clear discussion on climate change integration	50 NC reports provide evidence on how the NCs are contributing to the integration climate change into relevant processes.	NC reports; other relevant documents, e.g. national/sectoral plans, development strategies, etc.	- Political sensitivities prevent the use of NCs as a vehicle to facilitate integration of climate changes issues into development priorities.

4. TOTAL BUDGET AND WORK PLAN

Award ID:		tbd		Project ID(s):						
Award Title:										
Business Unit:										
Project Title:		National Communications to the UNFCCC								
PIMS No.:		4357								
Implementing Partner (Executing Agency)		National Execution								
GEF Outcome/Atlas Activity	Responsible Party/Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Total (USD)
1.National stocktaking and stakeholders consultations	UNDP	62000	GEF	71300	Local Consultants	450,000	0	0	0	450,000
				71400	Contractual services	130,000	0	0	0	130,000
				74500	Miscellaneous	20,000	0	0	0	20,000
					Total 1	600,000				
2. Implementation of National Communication Projects	UNDP	62000	GEF	71200	International Consultants	250,000	500,000	500,000	250,000	1,500,000
				71300	Local Consultants	1,250,000	2,500,000	2,500,000	1,250,000	7,500,000
				71400	Contractual services	300,000	750,000	750,000	360,000	2,160,000
				71600	Travel	200,000	300,000	300,000	200,000	1,000,000
				72500	Office Supplies	150,000	200,000	200,000	100,000	650,000
				72200	Equipment	150,000	200,000	100,000	50,000	500,000
				74500	Miscellaneous	150,000	250,000	250,000	100,000	750,000
				74210	Printing and publication	0	0	240,000	100,000	340,000
	Total 2	2,450,000	4,700,000	4,840,000	2,410,000	14,400,000				
PROJECT TOTAL						3,050,000	4,700,000	4,840,000	2,410,000	15,000,000

5. MANAGEMENT AND INSTITUTIONAL ARRANGEMENTS

Project management

A number of innovations under the previous NC Programme have improved the support services provided by the GEF and its IAs to the countries. The umbrella approach adopted by the GEF created the mechanism for backstopping national activities and provided an opportunity for linkages with the GEF's Strategic Approach to Capacity Building from the beginning. Improved opportunities for promoting synergies among enabling activities and relevant national efforts have been created. More importantly, the umbrella approach not only streamlined the project cycle, but also reduced transaction costs significantly, by improving GEF's responsiveness to country needs. This umbrella approach will be continued under this new global national communication project.

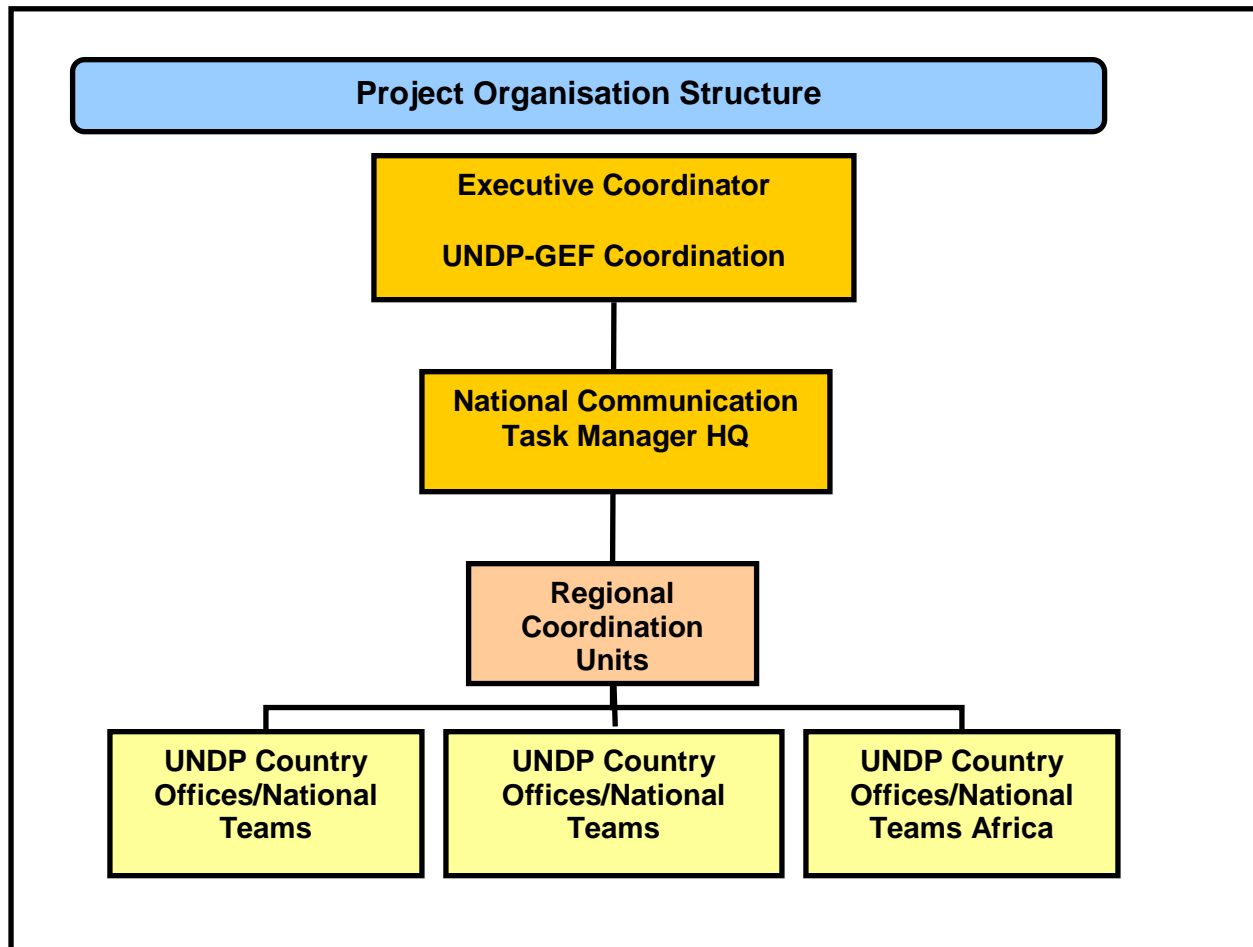
UNDP and UNEP will be the two Implementing Agencies (IAs) of this project, working in close collaboration as it has been done in the past under the NC Umbrella Programme. UNDP and UNEP have also worked together very effectively in the provision of technical assistance to countries through the National Communications Support Programme. The long and successful partnership between the two agencies will continue to ensure that countries follow consistent guidelines in the preparation of the NC proposals and receive adequate and timely technical backstopping during the implementation of the NC projects. Under this umbrella project, 50 Non-Annex I Parties will receive funding for the preparation of their Third NCs (including a few countries that will be preparing their Second NCs). UNEP will support 20 countries and UNDP will support 30 countries for a total funding of GEF resources equivalent to \$25,000,000 (with an allocation per country of \$500,000). Responsibilities of the two agencies in assisting countries in project formulation and implementation will be the same, as the split is based on countries rather than substantive work. Thus both agencies will continue to share their experiences and coordinate in the provision of technical support and project monitoring.

Similar to the structure adopted under the SNC Umbrella Project approved by the GEF in 2004, the project's strategy calls for a decentralised process for approving funding of the enabling activities. Based on the GEF Operational Procedures, UNDP and UNEP will use standard guidance to assist countries in project formulation. Although templates for project documents will need to comply with format and regulations of the IAs, the differences are rather minor while the technical content of the proposals, based on the same guidance, will ensure consistency and technical rigor.

Under a decentralised approach of this umbrella project, the approval of NC project proposals on a country-by-country basis is carried out by the Implementing Agency. Thus project approval process and start-up of activities will be accelerated, and as a result, the project cycle is expedited saving significant time to countries and minimizing the gaps between national communication projects. To ensure timely approval an initiation of IAs will put in place a follow-up strategy to assess progress and potential bottlenecks at different stages of project preparation (e.g. stocktaking and stakeholder consultation, proposal design, review, government and agency approval, and funding disbursement).

Figure 1 below shows the organization structure within UNDP to support countries in the preparation and implementation phases of the NC projects. Under the decentralized structure and country presence, the country teams, through the NC project coordinators, have a direct communication channel to address any concerns that may arise at different stages of the NC projects. The UNDP Country Offices and National teams will work very closely in the 30 countries participating in the project to ensure timely delivery of the projects' activities.

Figure 1: UNDP Overall Structure of Project Management



During the first phase, participating countries will work closely with the IAs in carrying out a self-assessment exercise of the previous NC, or the current ones in those cases where these have not yet been completed. This will serve as the basis for the formulation of their NC project documents (Component 1), which will be submitted, to the respective IAs for review and approval. The output of this phase is a project document containing a detailed national work plan for the preparation of their NCs, endorsed by the national GEF and UNFCCC focal points. The project documents will be based on a simplified format to facilitate the preparatory process, but will include timelines, benchmarks, and indicators to indicate how each project output is linked to the reporting requirement under the UNFCCC. The project documents will provide detailed explanations of how the country will fill gaps of the previous NC, a strategy to build on previous results and experiences, what methodologies and approaches will be used, and how the outputs and process of the Third NC will support countries' efforts to integrate climate change into relevant planning processes and development needs. Project outputs will follow the UNFCCC Guidelines for National Communications for Parties not included in Annex I to the Convention (Decision 17/CP.8). The stocktaking will identify project components eligible for GEF support, in accordance with the GEF Operational Procedures. The UNFCCC *User Manual for the Guidelines on the Preparation of National Communications from Non-Annex I Parties* will be recommended to guide countries to define national priorities.

For the first component of the project and to assist countries prepare the detailed project documents, preparatory funds of up to USD 20,000 will be made available to the country for the self-assessment

exercise consisting of stocktaking and national stakeholder consultations. Based on previous experience under the SNC Umbrella Project, countries will require approximately 6 months to conduct the stocktaking and stakeholder consultations and to prepare the project document for submission to the IAs for review and approval.

Once this project document has been agreed and signed between the country and the IA, the enabling activity funding will be made available to the country, and the second phase (up to 4 years) of the project (Component 2) can begin. Progress will be monitored by the IAs according to the project indicators and the agreed work programme. The IAs will be responsible for reporting this information annually to the GEF Secretariat.

In the second component of the project (Preparation of NC), the enabling activity funding will be made available to the country, which will implement the project activities as per the approved project document. Countries that have requested the USD 20,000 for their self-assessment exercise, will receive USD 480,000 to prepare their NC following the expedited procedures. Countries may choose to carry out their self-assessment exercise and prepare their project documents with their own funding. In such cases, countries are entitled to receive up to USD 500,000 for the preparation of their NC. The IAs will be responsible for annually reporting this information to the GEF Secretariat.

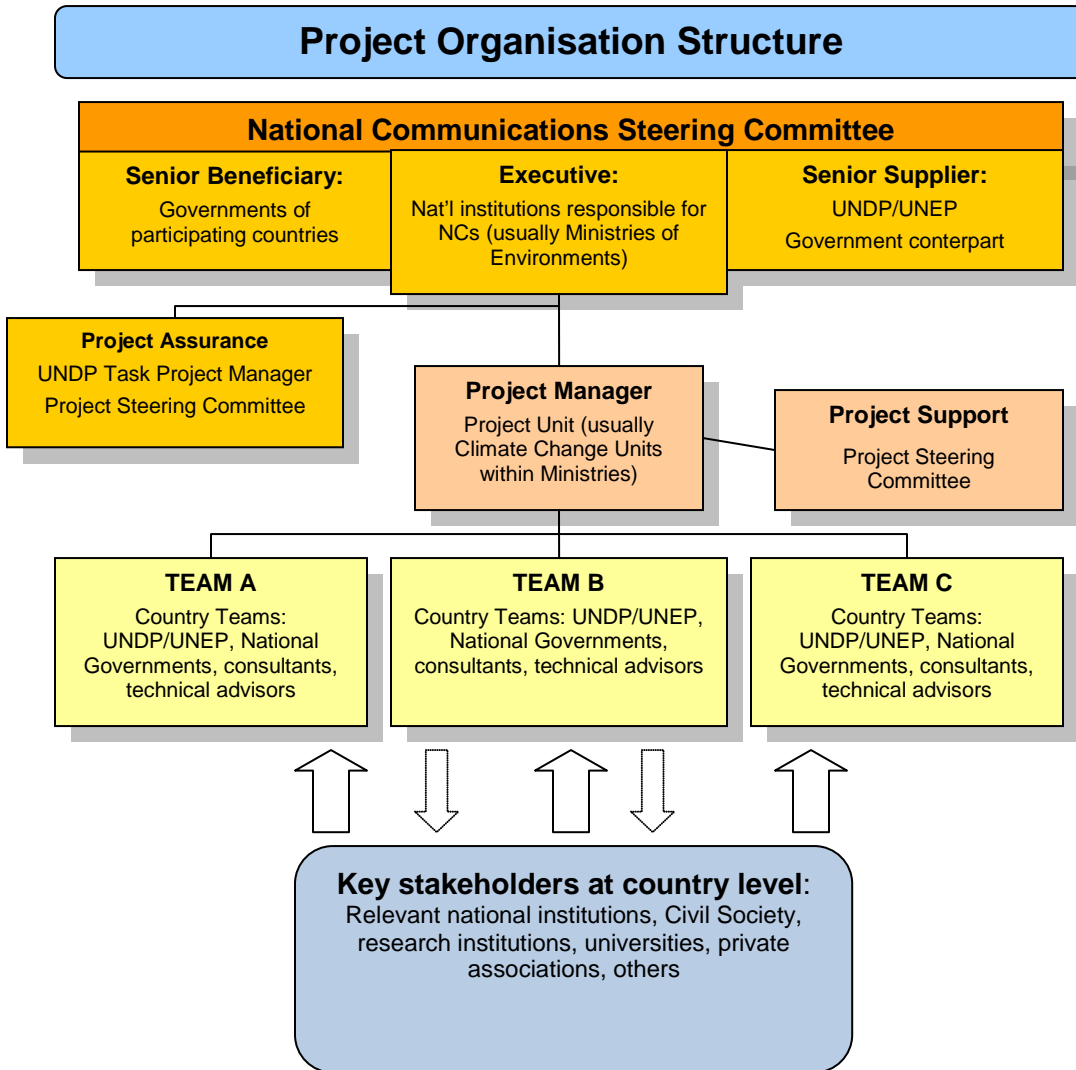
A “first-come-first-served” approach will be adopted to provide GEF grant financing to 50 countries. Total funding per country, including the self-assessment phase, will be USD 500,000 maximum. To ensure a smooth transition to the subsequent NC, it is important to note that countries are not required to submit their current NC to the UNFCCC before requesting funding to prepare their project proposal (self-assessment exercise). However, the IAs will ensure that countries requesting funding have made substantive progress on key components of the NC such as GHG inventory, mitigation analysis, and V&A assessments, so that their current NC can be submitted to the UNFCCC before the full funding for the subsequent NC is granted by the IAs. The lists of countries that will be requesting funding for their NC under this project by each IA are attached. These lists were developed based on the regular surveys UNDP and UNEP carry out as part of the NC monitoring. These lists are also a result of detailed discussions between the two IAs on progress made by countries in the preparation of their SNC projects.

In this context, the “first-come-first-served” principle seeks to provide funding for those countries that are ready to engage on their subsequent NCs but that also are most advanced in their SNCs. Thus priority will be given to countries that have already submitted their SNC and those that are closer to completion, on the assumption that these countries will be the first ones to approach the IAs for GEF funding support. Given the strong emphasis of these Enabling Activities project on capacity building, The IAs will ensure project proposals submitted for approval will include adequate budget allocation for capacity building in the different components of the NCs (based on countries’ needs) as well as for regional exchange through workshops organized under the NC framework.

At the country level, the projects will designate a national lead agency responsible for the oversight and implementation of the self-assessment exercise and project implementation. It is expected that the same institutional structure put in place for the previous NC project will be adopted, adjusted where needed, and enhanced to ensure a smooth continuation of the NC process. The National Steering Committees that countries have also established to advise on and monitor project’s progress will continue to serve these functions or reactivated, as required. The involvement of the relevant stakeholders, their support as well as their commitment to the implementation of the proposed activities, will ensure a successful achievement of NCs. The Director/Coordinator/Manager of the NC project, within the designated institution, will be responsible for the coordination of project activities in close consultation with the Steering Committee, technical teams, consultants and the IAs. Although the project structure will vary by

country, the figure below provides a general framework that countries have adopted for previous NC projects.

Figure Project Organisation Structure at country level



6. MONITORING AND EVALUATION (M & E) FRAMEWORK

M&E Activities

The project will be monitored through the following M& E activities.

Project start:

A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office, and where appropriate/feasible, regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- a) Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP Country Office (CO) and Regional Coordination Unit (RCU) staff vis-à-vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The TOR for project staff will be discussed again as needed.
- b) Based on the project results framework and the relevant GEF Tracking Tool, if appropriate, finalise the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- d) Discuss financial reporting procedures and obligations, and arrangements for annual audit.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalise various agreements and plans decided during the meeting.

Quarterly:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned, etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Annually:

- Annual Project Review/Project Implementation Review (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data, and end-of-project targets (cumulative).
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports.
- Risk and adaptive management.
- ATLAS QPR.
- Portfolio level indicators (i.e. GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

Learning and knowledge sharing:

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation through lessons learned. The project will identify, analyse, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Legal Context

This project forms part of an overall programmatic framework under which several separate associated country-level activities will be implemented. When assistance and support services are provided from this Project to the associated country level activities, this document shall be the “Project Document” instrument referred to in: (i) the respective signed SBAs for the specific countries; or (ii) in the Supplemental Provisions attached to the Project Document in cases where the recipient country has not signed an SBA with UNDP, attached hereto and forming an integral part hereof.

This project will be implemented by the Implementing Partner in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

The responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP’s property in the Implementing Partner’s custody, rests with the Implementing Partner. The Implementing Partner shall: (a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; (b) assume all risks and liabilities related to the Implementing Partner’s security, and the full implementation of the security plan. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The Implementing Partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

Risks Analysis

The NCs is the only obligation of Non-Annex I Parties under the Convention. Even if a possible new agreement calls for additional obligation from Non-Annex I Parties, it is very likely that the NCs will be used as the reporting mechanisms of these new obligations. Thus, the risk of countries not delivering the project outputs can be considered none or minimal. Furthermore, the majority of countries participating in the project would have already completed at least two NCs with only a handful of countries which would initiate their SNC under this project. Thus, most countries have already established a reasonable technical and institutional basis to prepare their subsequent NC. Ownership and priority assigned by national governments to the NCs have increased significantly since the first NC projects were carried out. In addition countries are using the findings of the NCs as the basis for negotiations under the Convention and for identifying priorities to address climate change at the national level. In light of these developments, government support and commitment has increased to the NC process, which will ensure that the projects' objectives are achieved.

However, the main project risks to the projects are related to the depth and quality of the studies carried out as well as to the consultation and institutional processes established for the preparation of the NCs. Although technical capacities have been developed through the previous NC process and institutional arrangements for the preparation of NCs have been set up, countries still face a number of important challenges. Given the complexities of some of the areas to be addressed under the NC, technical expertise continues to be a constraint. In some cases, especially in the Least Developed Countries and the Small Island States, there is only a handful of trained staff in a number of limited areas. This staff may have additional responsibilities within their government institutions that can impact their time allocation to the NC project. In addition, the NC faces a high turnover of staff that can affect the participation of previously trained experts in future NCs. In addition, given the political nature of the NC process, the institutional framework established in the previous NCs may go through some adjustment to respond to changes in governments or in priority setting by the institutions and stakeholders involved. The risk of staff turnover could in turn affect the quality of the studies.

The timely provision of financial resources to countries for the preparation of their NC projects will contribute to reducing the risk of discontinuation in the NC process. Once funding is made available to the preparation of the NC project proposals (self-assessment exercise and stakeholder consultations) national teams of the previous NCs would immediately engage in the preparatory phase, reducing the risks of staff turnover. Furthermore, the institutions and stakeholders would also be reconvened without a significant time gap, which will facilitate the continuation of the institutional frameworks established to support the NCs. In addition, the IAs will put in place a support and follow-up strategy to kick start the process as soon as the funding becomes available. At the technical level, the IAs will also identify backstopping needs. Through regular monitoring of project activities at the national level and identification of technical bottlenecks, the IAs will provide targeted support to assist project implementation and timely deliverables. This will include advice on methodological issues, development of Terms of Reference (TOR) for the technical studies, and coordination with relevant stakeholders.

ANNEX 1
GUIDANCE FOR THE PREPARATION OF PROJECT PROPOSALS FOR NATIONAL COMMUNICATIONS
CARRYING OUT THE SELF-ASSESSMENT EXERCISE

The following guidelines intend to provide practical advice on how to carry out the Self-Assessment Exercise for the preparation of National Communications project proposals. This exercise includes two key elements closely linked:

- A stocktaking of the previous National Communication work
- A stockholder's consultation

Countries are not expected to strictly follow the guidance step-by-step. Rather, the guidance should be considered within the national contexts

Important Note: This guidance applies to countries that are preparing their Second, Third or Fourth National Communication project proposal under GEF Expedited procedures. For the purpose of this guidance, these National Communications will be referred as NCs

I. General considerations

The self-assessment exercise may include the following:

- Work carried out under previous climate change enabling activities: Brief summary of activities and results achieved under the previous NC. This assessment is the central element of the stocktaking, as it will ensure that proposals for next NCs build upon what has been achieved before avoiding duplication of work.
- Synergies with related programmes and institutions: The stocktaking should also identify, when applicable, how the NCs will build on other on-going enabling activities e.g. (NCSA, NAPA), relevant regional projects, and national activities under other relevant international conventions (e.g. biodiversity, land degradation).
- Lessons learned during previous NC: This may include technical issues but also experiences of process/arrangements adopted under the previous NC that could provide lessons or best practices for the preparation of the NCs. Identify major challenges especially to mainstreaming climate change into National Development processes.

II. General guidance for the self-assessment exercise

The sections below provide some general guidance on how to conduct your stocktaking exercise and stakeholder consultation. More detailed discussion and guidance is provided in Section III.

II.1 Stocktaking

- Prepare clear terms of reference for the stocktaking exercise and for the consultants that will be in charge of the exercise.
- Survey the relevant reports and technical studies to be included in the stocktaking

- Prioritize the assessments and the studies/reports to be analysed
- Spend more time on the substantive areas of work (e.g. GHG inventory, mitigation and vulnerability, adaptation, awareness raising and mainstreaming)
- Avoid getting into detailed analysis. Focus on generating a succinct overview of technical and process issues that would help you identify priorities and scope your work
- Keep in mind that the purpose is to provide a concise picture of:
 - What was done and how (e.g. areas covered and approaches used)
 - Where are the gaps (e.g. areas not addressed and uncertainties of previous studies)
 - What are the needs for new studies (e.g. new areas of work, improvements on the basis of new approaches/information)
 - What are your priorities (e.g. allocation of efforts and resources on the basis of agreed set of priorities)
 - What were the recommendations of the previous NCs particularly in the area of mainstreaming?
- Identify synergies with other related initiatives (e.g. desertification/land degradation, biodiversity convention, NAPA, NCSA)
- Identify lessons learned that could provide good practices in the preparation of your Second National Communication
- Plan your activities and timeline to set realistic goals
- Consider the institutional arrangements, information and networking
 - What are the challenges and lessons learned in mainstreaming of information from NCs into national planning?
 - What institutional collaboration in preparing the NCs exists and how can it be improved and widened to enhance cooperation for the NC?
 - Is the institutional framework adequate to ensure the sustainability of the NC process?
 - How can activities relating to GHG inventories, vulnerability and adaptation assessments, and mitigation analysis be streamlined?
 - What regional research and educational centres exist and how can they be better utilized and strengthened?
 - Were the climate change or project steering committee effective and what specific actions are required to improve them?
 - How access to information could be improved?
- Ensure effective use of financial and technical resources:
 - What capacity exists and/or requires reinforcement to perform the different studies planned under the NC project?
 - What are the specific training needs required for the preparation of the next national communications? What would the budget be?
 - Is there any need for external consultants? In what areas? How can the terms of reference ensure adequate selection of external consultants?

The stocktaking is not a stand-alone activity. In doing the stocktaking note the linkages between the outcomes of previous relevant work to identify the priority areas to be considered for the preparation of the NC project proposal.

Tools that may be considered for the stocktaking work

- In depth, in-desk analysis of previous national communications
- In-desk review of relevant documents
- E-discussions among previous and new stakeholders
- Interviews with targeted stakeholders
- Questionnaires
- Focal Groups
- Consultative meetings (mini-workshops)

II.2 Stakeholders Consultations

- Develop a preliminary list of stakeholder and potential roles in the NC process
- Design a strategy to involve all relevant stakeholders. Stakeholders may be grouped on the basis of areas of interest/expertise and level of involvement. A communication strategy to keep the stakeholders informed would be needed
 - Key group of stakeholders to be actively involved throughout the preparation of next NC
 - Secondary group of stakeholders that will consult at different stages of next NC preparation process
- Ensure focused stakeholder consultations
- Keep stakeholders informed throughout the process

The consultation process will help you determine who should be involved in the NC project and how to involve each stakeholder. The stakeholder consultation is essential to ensuring that the *process* to prepare the NCs is appropriate, and that there will be widespread ownership over the main products. It will also help you design the institutional arrangements and coordination mechanism for the NCs and facilitate efforts to integrate climate change into relevant national and sectoral planning

III. Detailed guidance for the stocktaking

This guidance below follows the main sections of national communications in order to facilitate discussions on what to look for during the stocktaking and how to use this information in the design of NC proposals.

National Circumstances

- Identify the sections that would need to be improved or updated for next NC
 - √ Focus on those areas and reporting timeframes where new information may be available or where there is a need for update. For instance, as a result of new national development priorities or changes in social and economic circumstances.
 - √ Determine the areas where no further efforts are required. In some areas the information provided in previous NC may still be adequate, e.g. general description of geography, climate, unless there is updated information or needs for further elaboration.
- Keep in mind that description of national circumstances should be relevant to other sections of the national communication
 - √ When determining needs for new or improved information, think of how this information could provide a better understanding of mitigation and adaptation priorities or needs for research studies
- Assess the experience and adequacy of the institutional arrangements adopted for the preparation of previous NCs.
 - √ what worked
 - √ what did not work and why
 - √ what would be needed to strengthen institutional arrangements for the preparation of the NC

Greenhouse gas Inventories

- Assess data needs for improvements by source categories
 - √ Identify data gaps and main sources of uncertainties in the GHG inventory of previous NC
 - √ Focus on emission sources that are significant and with higher level of uncertainties when determining data filling needs
 - √ Assess whether data sources used in previous NC would need to be expanded
 - √ Identify needs for improving data compilation systems
 - √ Engage all the experts involved in the preparation of the inventory for the previous NC
 - √ Consult with other experts on information availability and needs
- Assess options for new and improved GHG inventories
 - √ Agree on the reporting periods, if additional years are wished to be reported (for instance a time series)
 - √ Identify sources and gases not reported to in previous NC so that these are addressed in the next NC, if appropriate
 - √ Assess, by source categories and gases, whether methodologies used were appropriate

- √ On the basis of previous experience, determine whether higher tiers (IPCC) or national methods for the new inventories would be adopted. If so, ensure that minimal requirements and resource constraints, including technical capacity, are understood.
 - √ If new/improved emission factors are to be proposed for specific sources, ensure that priorities are addressed and that available capacity and resources are adequately considered.
 - √ Identify activities on emission factors carried out under the Top-up, if applicable.
 - √ Involve the relevant institutions and experts when determining strategies for data compilation and generation.
 - √ Set clear activities and realistic targets to improve inventory data, focusing on main sources of emissions. In doing so, decide on whether the IPCC Good Practice Guidelines need to be applied.
- Review inventory system proposed under previous NC for data managing and archiving, if applicable
 - √ Assess experience in its implementation, if any.
 - √ Identify needs for updating/creating a new inventory management system on the basis of current institutional arrangements or changes in regulatory framework.
 - Examine approaches used to report levels of uncertainty of the previous inventory, if applicable
 - √ Identify constraints in the estimation and reporting of uncertainties of the inventory in previous NC
 - √ Determine needs for addressing uncertainty in the next NC. In doing so, decide on whether the IPCC Good Practice Guidelines would need to be applied.

Programmes containing measures to facilitate adequate adaptation to climate change

- Provide a brief overview of the vulnerability studies carried out under previous NC
 - √ Sectors covered (e.g. agriculture, water, forest, health)
 - √ Sub-sectors addressed (e.g. types of crops, forest types, diseases)
 - √ Scale of the studies (national, regional, local)
 - √ Gaps and uncertainties of the studies, if feasible
 - √ Methodology and tools used
 - √ Type of studies (qualitative, quantitative)
- Explain whether adaptation assessments were carried out
 - √ Methodological approaches used (e.g. whether rigorous assessment of adaptation or a list of potential options)
 - √ Type of studies (qualitative, quantitative)
 - √ Weakness of adaptations analysis
 - √ Linkages with national priorities or critical sectors
 - √ Barriers analysis of adaptations options identified
 - √ Technical capacity constraints in adaptation assessments
- On the basis of the above analysis, determine areas of work/studies to be addressed in the next NC. In doing so, the following should be discussed to the extent possible
 - √ Sectors/areas to be addressed

- √ Justification of the assessments, e.g. linkages with national priorities, improvement of previous studies, new sectors/areas
- √ Scale of the assessments, e.g. national, regional, local
- √ Scope of the assessments, e.g. adaptation programmes
- √ Approaches to be adopted, if feasible
- √ Critical elements of assessments, e.g. baselines, climate and socio-economic scenarios

Programmes containing measures to mitigate climate change

- Provide a brief overview of the mitigation analysis carried out under previous NC
 - √ Sectors covered (e.g. energy, agriculture, LUCF, waste) and approaches used in the analysis
 - √ Methodology and tools used for mitigation analysis
 - √ Gaps and uncertainties
 - √ Scope, scale, type (qualitative, quantitative) of the analysis
 - √ Mitigation priorities identified
 - √ Recommendations for additional analysis, if any
- On the basis of the above overview, determine additional mitigation analysis to be addressed in next NC. In doing so, the following should be discussed to the extent possible
 - √ Justification of new studies, e.g. areas not addressed in previous NC, improvements of previous analysis, new approaches available
 - √ Linkages with national priorities on the basis on previous GHG inventories
 - √ Linkages with other national development objectives
 - √ Scope of the analysis and proposed methodologies

Integration of climate change into national development priorities

- √ Assess extent to which climate change is taken into account in National and sectoral policies and plans
- √ Assess synergies between climate risks and adaptation and mainstreaming
- √ Identify measures and policies identified in previous national communication that can ensure sustainable development and design a road map on how to achieve the introduction of them in the development plans of the country.

Education and awareness raising activities

- √ Analyse level of awareness and understanding of climate change issues at all levels
- √ Assess groups and levels of awareness
- √ Identify potential partners
- √ Identify existing resources for communication
- √ Identify barriers between scientific language and popular understanding of the issues
- √ Identify your target audience

Other information considered relevant to the achievement of the objective of the Convention

- Describe how this section would build on the information reported under previous NC and other relevant enabling activities, as appropriate
 - √ Ensure that the work on technology needs assessment under the top-up, if applicable, is adequately considered. In doing so, review the scope of the assessment, main outcomes and constraints.
 - √ Describe how this information would feed into next NC, including other areas of technology transfer activities, which were not covered by previous NC
 - √ If climate-observing system was addressed under the top-up, ensure that this information will provide the basis for reporting in the NC. If additional work is needed, explain why.
 - √ Assess how other activities reported in the previous NCs, namely research, education, training and public awareness will be updated in the NCs, as needed.
 - √ Where applicable, reporting on capacity building should build on information under the National Capacity Self-assessment (NCSA), National Adaptation Programme of Action (NAPA), and top-up activity. Given the cross cutting nature of capacity building issues, ensure the design of these reporting activities are consistent with the relevant sections of the National Communication.

Constraints and gaps, and related financial, technical and capacity needs

- Identify needs to update information provided in the NC, including relevant initiatives that may have taken place after the finalisation of the NCs.
 - √ Assess whether some of the reported constraints or gaps and related financial, technical and capacity needs have been addressed.
 - √ Assess what areas would need to be updated on the basis of descriptions provided in the previous NCs
 - √ Determine whether new information would need to be reported (not previously covered)

ANNEX 2.

List of countries that have expressed interest in UNDP support for preparation of TNC and which meet requirements for GEF funding (*)

1.	ALBANIA
2.	ARMENIA
3.	AZERBAIJAN
4.	BELIZE
5.	BOLIVIA
6.	BOSNIA HERZEGOVINA
7.	BOTSWANA
8.	BURKINA FASO
9.	BURUNDI
10.	CAPE VERDE
11.	CHILE
12.	COLOMBIA
13.	CONGO (REPUBLIC)
14.	COOK ISLANDS
15.	COSTA RICA
16.	DOMINICAN REPUBLIC
17.	EGYPT
18.	ETHIOPIA
19.	GEORGIA
20.	GHANA
21.	HONDURAS
22.	INDONESIA
23.	JAMAICA
24.	JORDAN
25.	KAZAKHSTAN
26.	MACEDONIA
27.	MALAWI
28.	MALAYSIA
29.	MALDIVES (**)
30.	MOROCCO
31.	NAMIBIA
32.	NIGER
33.	PANAMA
34.	PARAGUAY
35.	PERU
36.	PHILIPPINES
37.	SAMOA
38.	SEYCHELLES
39.	TUNISIA

(*) Includes countries that have either submitted their SNC to the UNFCCC or are advanced enough in their SNC preparation and (more than 75% completed) and ready to start their TNC. Countries in bold has submitted their SNC to UNFCCC (Macedonia recently submitted its INC). Three countries would be requesting funding for their SNC: Bosnia and Herzegovina, Macedonia, and Maldives. (**) Maldives has requested support to UNDP and UNEP, which are seeking clarification from the Government.

