



REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project

THE GEF TRUST FUND

Submission Date: 02/23/2010

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 4110

GEF AGENCY PROJECT ID: 4357

COUNTRY(IES): Global

PROJECT TITLE: National Communications to the UNFCCC

GEF AGENCY(IES): UNDP, UNEP

OTHER EXECUTING PARTNER(S): National partners

GEF FOCAL AREA(S): Climate Change

GEF-4 STRATEGIC PROGRAMME(S): Support to Enabling Activities

| Expected Calendar (mm/dd/yy) | |
|------------------------------|------------|
| Milestones | Dates |
| Work Programme | Nov. 2009 |
| Agency Approval date | April 2010 |
| Implementation Start | 5/3/2010 |
| Mid-term Evaluation | May 2012 |
| Project Closing Date | 5/1/2014 |

A. PROJECT FRAMEWORK

| Project Objective: To provide support for the preparation of NCs to the UNFCCC, which comply with Convention reporting requirements and national development needs in 50 Non-Annex I Parties | | | | | | | | |
|--|-----------------------------|--|---|----------------------------|----|---------------------------|----|-------------------|
| Project Components | Inv.TA, or STA ² | Expected Outcomes | Expected Outputs | GEF Financing ¹ | | Co-Financing ¹ | | Total (\$) c=a+ b |
| | | | | (\$ a) | % | (\$ b) | % | |
| 1. National stocktaking and stakeholder consultations for the formulation of NC project proposals | TA | <ul style="list-style-type: none"> - Enhanced national ownership of the National Communications process; - Improved NC project proposals responsive to national development needs. | 1.1 Stocktaking of previous NCs and relevant climate change activities carried out in 50 countries; 1.2 Stakeholders consultations held at the country level to ensure a broad range of participation in NC design and implementation; 1.3 Gaps and priority areas to be addressed by the NC identified; 1.4 50 NC project proposals submitted by participating countries to the Implementing Agencies for approval. | 1,000,000 | 83 | 200,000 | 17 | 1,200,000 |
| 2. Implementation of NC projects at the country level | STA | <ul style="list-style-type: none"> - 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. | 2.1 Updated and improved GHG inventories, incorporating actions for inventory sustainability; 2.2 Mitigation analysis enhanced and improved, with linkages to development needs; 2.3 Improved vulnerability and adaptation assessments with policies and measures identified in priority areas; 2.4 50 NC reports submitted to the UNFCCC 2.5 Findings from NC process integrated into national development policy documents, as appropriate. | 24,000,000 | 86 | 4,000,000 | 14 | 28,000,000 |
| 3. Project management cost of national executing agencies ¹ | | | | | | | | |
| Total Project Costs | | | | A 25,000,000 | 86 | B 4,200,000 | 14 | 29,200,000 |

¹ To be determined on a country by country basis.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT (expand the table line items as necessary)

| <i>Name of Co-financier (source)</i> | <i>Classification</i> | <i>Type</i> | <i>Project</i> | <i>%*</i> |
|--------------------------------------|-----------------------|-------------|--|-----------|
| Project Government Contribution | Nat'l Gov't | In-kind | 4,200,000 (to be determined on a country by country basis at the time of formulation of individual projects) | 100 |
| Total Co-financing | | | \$4,200,000 | 100% |

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

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

| | <i>Project Preparation a</i> | <i>Project b</i> | <i>Total c = a + b</i> | <i>Agency Fee</i> | <i>For comparison: GEF and Co-financing at PIF</i> |
|---------------|----------------------------------|----------------------|----------------------------|-------------------|--|
| GEF financing | 0 | 25,000,000 | 25,000,000 | 2,500,000 | |
| Co-financing | 0 | 4,200,000 | 4,200,000 | | |
| Total | 0 | 29,200,000 | 29,200,000 | 2,500,000 | |

D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

| <i>GEF Agency</i> | <i>Focal Area</i> | <i>Country Name/ Global</i> | <i>(in \$)</i> | | |
|----------------------------|-------------------|---------------------------------|--------------------|-----------------------------------|--------------------|
| | | | <i>Project (a)</i> | <i>Agency Fee (b)²</i> | <i>Total c=a+b</i> |
| UNDP | Climate Change | Global | 15,000,000 | 1,500,000 | 16,500,000 |
| UNEP | Climate Change | Global | 10,000,000 | 1,000,000 | 11,000,000 |
| Total GEF Resources | | | 25,000,000 | 2,500,000 | 27,500,000 |

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

² Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS: N/A

| <i>Component</i> | <i>Estimated person weeks</i> | <i>GEF amount (\$)</i> | <i>Co-financing (\$)</i> | <i>Project total (\$)</i> |
|----------------------------|-------------------------------|------------------------|--------------------------|---------------------------|
| Local consultants* | | | | |
| International consultants* | | | | |
| Total | | | | |

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT BUDGET/COST: N/A

| <i>Cost Items</i> | <i>Total Estimated person weeks/months</i> | <i>GEF amount (\$)</i> | <i>Co-financing (\$)</i> | <i>Project total (\$)</i> |
|--|--|------------------------|--------------------------|---------------------------|
| Local consultants* | | | | |
| International consultants* | | | | |
| Office facilities, equipment, vehicles and communications* | | | | |
| Travel* | | | | |
| Others** | | | | |
| Total | | | | |

* Details to be provided in Annex C. ** For others, it has to clearly specify what type of expenses here in a footnote.

G. DOES THE PROJECT INCLUDE A "NON-GRANT" INSTRUMENT? yes no

H. DESCRIBE THE BUDGETED M&E PLAN:

Project Monitoring and Evaluation (M&E) will be conducted in accordance with established UNDP, UNEP and GEF procedures and will be provided by the project teams, in coordination with the project coordinators at the national level and by the respective Implementing Agency. The Logical Framework Matrix in Section II provides performance and impact indicators for project implementation, along with their corresponding means of verification. These will form the basis on which the project's M&E system will be built.

Project Inception Workshops in each of the countries participating in this global project will be held within the first 3 months of the project start. Representatives of the Implementing Agencies, along with those with assigned roles in the project organizational structure will participate in these inception workshops. The Inception Workshop is crucial to building ownership for the project results, and to plan the first year annual work plan. Guidance will be provided to countries on these inception workshops so that the NCs:

- Develop a sound strategy to build on the lessons learned from previous NCs,
- Ensure adequate engagement of the key stakeholders through the life of the project,
- Enhance ownership of the NC outcomes,
- Consolidate the necessary linkages with national development priorities, as appropriate, and,
- Discuss strategies for follow-up activities beyond the life of the project.

Regular monitoring of the projects' activities at the country level will be ensured, as per the rules and procedures of the Implementing Agencies. In addition, questionnaires on the projects' progress will be administered twice a year before the meetings of the UNFCCC Subsidiary Bodies and the Conference of the Parties. Through these questionnaires, the Implementing Agencies will not only provide bi-annual reports to the GEF, but will also identify constraints in project implementation and needs for technical backstopping at the country level.

A key element of the M&E plan is a pro-active follow-up approach with the Project Coordinators to draw on lessons learned and best practices that can be used to demonstrate the project impacts. Results from the project will be disseminated within the participating countries and through different forums under the UNFCCC processes and other existing networks. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. There will be a two-way flow of information between countries participating in the NCs and other projects of relevant focus so that findings and lessons learned are shared in a timely manner. More detailed descriptions of the M&E strategy are provided in the Project Documents attached.

PART II: PROJECT JUSTIFICATION: In addition to the following questions, please ensure that the project design incorporates key GEF operational principles, including sustainability of global environmental benefits, institutional continuity and replicability, keeping in mind that these principles will be monitored rigorously in the annual Project Implementation Review and other review stages.

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

The preparation and submission of the National Communications is the only commitment of all Non-Annex I Parties under the UNFCCC as contained in its Article 12.1. This important reporting requirement under the UNFCCC 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 resulting from climate variability and extreme weather conditions 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 see the NC report as a strategic tool. The NC report assists participating countries in aligning legitimate national interests and priorities to the overall goals of the UNFCCC. As the international efforts to enhance adaptive capacities of human

and natural ecosystems 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 is becoming more and more apparent. To this end, the NC reporting mechanism enables the deliverance of this data, thus assisting in the overall goals of the UNFCCC.

Technical capacity in different areas of climate change has increased significantly as a result of the NC process in a number of countries, but this increase in expertise is still uneven. Many countries (approximately 60% of the countries) have conducted capacity building activities to expand the range of expertise and skills required for the preparation of NCs. Since the start of the NC process, expertise has been enhanced in different areas such as GHG inventories, mitigation analysis, and vulnerability and adaptation (V&A) assessments. Many 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 have a high level of uncertainty, are a significant step forward in analysing climate trends, impacts and possible adaptation options. However, a number of complex areas of the NCs still pose a great challenge to countries that have even 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-comparisons 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 developed in the NCs. In this context, the project will expand opportunities to countries to address these priority areas through their NC projects.

The NCs can effectively deliver global environmental benefits in different manners. The NCs are the key instruments that Non-Annex I Parties have for the calculation and reporting of national GHG gas emissions. The GHG inventories represent the basis for mitigation analysis and the identification of emission reduction opportunities at the sectoral and national level. Projects for GHG emission reductions, which are submitted for bilateral and multilateral funding often build on the findings of the mitigation analysis. Thus the NC process can play a critical role in identifying and implementing national initiatives that can contribute to the global efforts to curb GHG emissions. Furthermore, the NCs have become the foundation for actions in the area of adaptation to climate change through the vulnerability studies carried out by the countries. Addressing climate risks and enhancing climate resilience of vulnerable populations are now in the centre of policy discussions, thus demonstrating the need for accurate, consistent and internationally comparable data. 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. By enhancing technical capacity, disseminating information, and involving decision makers in climate change issues, the NCs are strengthening the support for climate change action at the national and global levels.

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 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."

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. Countries have made significant efforts to incorporate a wider range of stakeholders in the NCs strategy through advisory committees and

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.

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 5 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 NCs set up by the countries needs to be maintained and sustained, avoiding any financial gaps; otherwise, re-establishing the NC process will be more costly and the process itself will lose momentum.

The project will support the preparation of NC to the UNFCCC in 50 countries³ during the remaining period of GEF-4. Additional GEF grant financing would be made available during GEF-5 to support all eligible Non-Annex I Parties which were not ready to receive funding for the preparation of their NC during GEF-4. These NCs will continue to provide detailed and improved GHG emission inventories, mitigation analysis, as well as vulnerability and adaptation (V&A) assessments. Often this baseline data helps to 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 NCs, 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 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 an 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. Although any new guidelines for the preparation of NCs may take up to two years to be approved by the COP, the Umbrella Project will closely follow any changes to the Convention Guidelines and assess possible impacts on reporting requirements, and consequently on this project.

The project's objective is to provide support for the preparation of NCs to the UNFCCC, which comply with Convention reporting requirements and national development needs in 50 Non-Annex I Parties. The funding will provide timely support as it will help countries ensure that national capacities and institutional mechanisms created through the preparation of their previous NC are not lost or disrupted as a result of funding gaps. Furthermore, the Implementing Agencies 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 effort to improve the quality of their studies and consequently the quality of the NC reports submitted to the UNFCCC.

The proposed Umbrella Project for the preparation of NCs consists of two components with bottom-up and 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;

³ List of countries that will be requesting funding for their Third NCs (and for SNC in a few cases) is provided, attached under the two separate project documents submitted by UNDP and UNEP as part of this CEO endorsement request.

- 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 found in the UNDP Project Document provides guidance to assist in the preparation of project proposals for national communications through the self-assessment exercise. In order to ensure consistency in the approach used by countries for the self-assessment exercise and on the content of these project proposals, both UNDP and UNEP will provide this guidance to national teams regardless of the country's choice for IA support.

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 could 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 these countries, greater efforts will be needed in expanding, even further, the participation of government and non-government organizations. The Third NCs can play an important role and provide a sound basis to tackle climate change more effectively through an 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 to ensure that the NC reports submitted to the COP 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. IAs' 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.

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 and the 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 to design a strategy to facilitate climate change integration into developing planning processes.

A key element of ensuring a more effective linkage between the NCs and countries' priorities is through the identification of projects for future funding by the GEF and other funding sources. The UNFCCC Guidelines provide clear direction in this regard in its Paragraph 52: "Non-Annex I Parties are encouraged to provide, to the extent their capacities permit, a list of projects proposed for financing, in accordance with Article 12, paragraph 4, of the Convention, in preparation for arranging the provision of technical and financial support. The proposed projects could be presented as part of the national communications or as separate documents for financing". To achieve this end Implementing Agencies will work with countries to ensure that NCs can be used as one of the basis for country business planning and GEF programming. This will seek to help countries put in place a more strategic approach to funding prioritization from GEF and other funding sources.

DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND/OR 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. Although in most countries the institutional framework for the preparation of NCs has increased in the past few years, the climate change enabling activity projects continue to play a pivotal role in the consolidation of these structures. As governments pay increasing attention to the threat of climate change to development, NCs are starting to play a more prominent role in shaping the climate change agendas at many levels, including sectors and regions.

The project is consistent with the priorities of countries as identified in the NCs and the GEF Review of Climate Change Enabling Activities conducted in the past. Surveys conducted by the National Communications Support Programme (NCSP) also show that NCs 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 the 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. The Implementing Agencies will play a pivotal role in assisting country teams set-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.

C. DESCRIBE THE 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 to strengthen countries' capacities to fulfill their commitments under the Convention. As the project will support studies in the areas of national GHG inventories, mitigation, and V&A assessments, 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.

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

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. However, it is important to note that governments have traditionally provided in-kind contributions that, although not very high, demonstrate the importance that countries are assigning to the NC process. Often these in-kind contributions are represented by facilities required for the implementation of the projects such as office space, logistical support, materials, but also through intellectual contribution provided through staff-time allocation to technical discussions, data compilation and technical feedback, among others.

E. OUTLINE THE 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 NCSP. 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 the 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.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING:

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. Should the funds be provided in time through this project, it is going to contribute to an enhanced and maintained capacity of the Non-Annex I countries, as well as a better quality of the subsequent NC report. Improved reports and enhanced capacities of Non-Annex I Countries mean a better response to the implementation process of the UNFCCC and its treaties.

In addition, the majority of countries under the NC conduct 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.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:

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 that 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 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. Lastly, 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. As a result 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, thus mitigating some of the risks listed above. 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 risk 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. Finally, 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 assist countries to identify expertise within their regions to help national teams address bottlenecks in order to ensure effective 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.

A key aspect to consider in the achievement of the project's objectives is the potential risk that the NCs do not help countries prioritize climate change concerns or do not contribute to linking climate change with development. In its inception phase, especially in the INCs, these projects were carried out isolated from the relevant planning processes. The SNCs are starting to address this issue to a limited extent and are contributing to enhancing the linkages of climate change with other initiatives. Thus, the risk of producing an 'isolated' NC will most likely be very small, on the assumption that the trend initiated by the SNC projects will be consolidated in the Third NCs. However, to minimize such risk ever further the IAs will work with the country counterparts to ensure that appropriate actions are designed within the project proposal to specifically identify priority actions and relevant linkages with development needs.

H. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:

The decentralised approach to project preparation and approval will ensure a shorter cycle of project formulation and more effective start up of the project implementation. The technical backstopping that the IAs have provided to countries in the past will serve as a basis to continue to improve the quality of the NC. More comprehensive and sound NC can serve as a strong foundation for countries to develop their national climate change strategies. These can in turn also feed into any potential commitments that Non-Annex I Parties may agree to in the future under the Convention.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

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 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, the 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 and initiation 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).

B. PROJECT IMPLEMENTATION ARRANGEMENT:

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 discussion 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. Within this model funding priority for the Third NCs will be given to: 1) countries that have already submitted their SNC to the UNFCCC; 2) countries that have completed a draft SNC report and are at the final stage of compiling the SNC document and/or processing government approval; and 3) countries with substantive progress in their SNC components (75% or more completed) and which intend to submit their SNC report within 6 months of receiving self-assessment funds for the formulation of the Third NC project proposal. It is important to note that although this umbrella project will only fund the preparation of NC projects in 50 countries, the list of countries identified by UNDP and UNEP is not limited to 50 countries. The reason for this comprehensive list is to include all the countries that would comply with the 3 criteria indicated above. In the event that more than 50 countries request funding support under this umbrella project, the IAs will discuss with the GEF the need for additional funding to cover any unmet demand and enable these countries prepare their NC project proposals in an expedited manner.

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. National experts will be able to draw on resources from this project to attend those regional workshops organised by third parties upon the approval of the respective IAs. The institutional structure to manage the project by UNDP and UNEP are explained in the Project Documents provided by the respective agencies, which are submitted along with this CEO endorsement request (please refer to the corresponding section on management and institutional arrangements of the project documents).

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 the project’s progress will continue to serve these functions or be 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. This general project structure may vary from country to country.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

The project design is fully in line with the PIF. The components, outcomes and outputs identified in the PIF have been validated and elaborated. This reflects the fact that the PIF was elaborated taking into consideration the areas of work, as per the UNFCCC Guidelines for the preparation of National Communications by Non-Annex I Parties. The PIF was approved by the GEF Council as part of its work programme in November 2009, before the fifteenth Conference of the Parties (COP-15) took place (Copenhagen, Denmark, 6-18 December 2009). Some adjustments to the PIF were initially expected due to potential decisions by the COP that may potentially affect the scope of the some of the activities under the NCs. However, as no decisions were made, the scope of this umbrella project, as originally designed in the approved PIF, remains, including activities and expected outputs.

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

| Agency Coordinator, Agency name | Signature | Date (Month, day, year) | Project Contact Person | Telephone | Email Address |
|--|---|-------------------------------|--|---------------------|----------------------------|
| John Hough UNDP/ GEF Officer-in-Charge |  | February 23, 2010 | Marcel Alers, Principal Technical Advisor UNDP/GEF | +1-212- 906-6199 | marcel.alers@ undp.org |
| Maryam Niamir- Fuller, GEF Executive Coordinator and Director UNEP/DGEF |  | February 23, 2010 | George Manful, Senior Task Manager, UNEP/DGEF | +254- 20762-50 | george.manful@ unep.org |

ANNEX A: PROJECT RESULTS FRAMEWORK

| Applicable GEF Strategic Objective and Programme: Support to Enabling Activities (Climate Change). | | | | | |
|--|---|---|--|--|--|
| | Indicator | Baseline | Targets End of Project | Source of Verification | Risks and Assumptions |
| Project Objective: To provide support for the preparation NCs to the UNFCCC, which comply with Convention reporting requirements and national development needs in 50 Non-Annex I Parties. | Number of NCs produced, which fully responds to Convention guidance | Many previously submitted national communications still have information and data gaps | 50 NC submitted fully respond to Convention reporting Guidance | Reports of the CGE on NCs submitted to UNFCCC secretariat. | Poor political or institutional support for the preparation of the NCs High institutional and staff turnover |
| Outcome 1: Enhanced national ownership of the NC process. | Level of participation of stakeholders in the different stages of the NC process: - In self-assessments; - In stakeholder consultations; - In project proposal preparation; - In NC report preparation process. | Not quantifiable at the global level as this can only be established at the national level. However, reports of consultations/ stakeholders produced in respect of previous NCs demonstrate that in several countries there was a rather low level of stakeholder involvement | At least 25% increase of stakeholder participation in the NCs compared to 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. - NC development process is not inclusive at all stages. |
| Outcome 2: Improved NC project proposals responsive to national development needs. | Number of NC project proposals which explicitly include a strategy and activities to enhance the role of NCs in integrating climate change issues into national development planning frameworks | Very limited number of previous national communications project proposals that explicitly addressed the area of climate change integration | 50 NC project proposals include linkages with national development planning processes. | Project proposals for next NC approved by IAs and national development planning documents. | - Key personnel from development planning entities are participating in NC process. - 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 | Two countries have been supported in their preparation of their Third NCs | 50 countries will have been supported by the IAs in their NCs. | Progress reports prepared by the IAs. | - Implementing Agencies have insufficient capacity to support NCs. |
| Outcome 4: Linkage between climate change and development priorities/planning process | Third NCs submitted to the UNFCCC explains how the NC process and outputs have | 0 Few NC reports provide some | 50 NC reports provide evidence on | NC reports; other relevant documents, | - Political sensitivities prevent the use of NCs as a vehicle to facilitate integration of climate change issues into |

| | | | | | |
|------------------------------|---|---|--|---|-------------------------|
| strengthened through the NC. | contributed to climate change integration | discussions on climate change integration | how the NCs are contributing to the integration of climate change into relevant processes. | e.g. national/ sectoral plans, development strategies, etc. | development priorities. |
|------------------------------|---|---|--|---|-------------------------|

ANNEX B: RESPONSES TO PROJECT REVIEWS

A) GEFSEC Review

A telephone discussion took place between the two Implementing Agencies and GEF Sec to clarify a few issues and to suggest some changes to the PIF. A revised PIF based on GEF comments was submitted for inclusion of the GEF work programme of November 2009. No written comments were received from the GEF Sec.

B) Council comments

| Comments | Responses by Implementing Agencies |
|--|--|
| 1. Comments by Switzerland | |
| <p>This enabling activity aims at ensuring continuity in the preparation of national communications by Non-Annex I countries. As the preparation and submission of national communications is the single and most important commitment of all Non-Annex I Parties (NAI) a GEF council decision in November 2009 sends a strong signal to Copenhagen underscoring GEF's commitment to support this statutory task with the needed resources to allow timely start of, where appropriate, third or fourth national communications within the year 2010. The implementing agencies UNDP and UNEP estimate that 80 countries would submit their second national communication by end of 2010. It is estimated that 50 countries plan to request funding for their next national communication project before July 2010. Ensuring continuity in the NatCom preparation process is important for keeping the teams mandated with this task together and continuously building their skills. Keeping touch with 50 (or in total around 140 NAI Party) Nat Com teams is a time-consuming task where essential skills have been built up within the UNDP and UNEP regional teams. Maintaining continuity with regard to these management skills is equally important for ensuring a smooth and timely implementation process. The project does not contain a continuation of the earlier "National Communication Support Programme", most likely assuming that for the design of such a scheme post-2012 Copenhagen Arrangement (role of MRV) will have to be known in order to respond optimally to the additional capacity development needs of NAI Parties under an emerging post-Kyoto regime, which can be expected to call for synergies with the NATCOM process. The PIF makes clear that the implementation of this project ensures the capacity development required for continuous improvement of the quality of the information provided in NAI national communications.</p> | <p>No response or clarification was requested. As highlighted on these comments, it is important to clarify that the Umbrella Project does not contain a continuation of the NCSP. However, the IAs would like to note the need of securing additional financial resources by the GEF to ensure that similar technical support provided by NCSP is planned in the short term, as countries embark on their Third NCs. Given the number of areas covered by NCs, this support (above what IAs are mandated to provide in project formulation and implementation) will ensure that countries will have much needed targeted technical backstopping.</p> |
| <p>STAP supports the implementation of this project but has asked a number of questions which must be further clarified. Some of these questions can be attributed to the fact that the short PIF note without a graph displaying the current status of preparation of first, second and third national communication does not properly convey the rather complex current status of NAT COM preparation. Nevertheless the PIF note is unclear in 2 crucial points:</p> <ul style="list-style-type: none"> • The PIF document provides the information that for the first phase of the NATCOM process, the national stocktaking and stakeholder consultation USD 20,000 will be available per country leading to a detailed project document for NATCOM preparation. For the preparation of the NATCOM itself up to 480,000 USD will be made available under the expedited procedure. Appropriate resources for national capacity development for appropriate forms of regional cooperation and experience exchange seem to be included in this amount of 480,000 USD without stating this explicitly. Also the STAP question as to whether those countries who have already submitted their TNC proposal needs to go to through the stocktaking exercise is not clearly answered in the PIF. • The allocation of resources will follow the "first-come-first-served" principle. The project document is silent on how process continuity and consistency of information provided is assured between this set of 50 countries and the remaining approximately 90 NAI countries which need to be funded from the 5th replenishment of GEF, which will be decided only after the Copenhagen Conference. The project preparation process should foresee adapting the preparation of NATCOM guidance optimally to the emerging guidance by COP/MOP e.g. with regard to base-year of the TNC (2010?) of projects stated by 2010 end and the type of IPCC guidelines to be used. | <p><u>First bullet point:</u> The assumption regarding allocation of resources for capacity development and regional exchange is correct. 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. Regarding the need to go through the stocktaking exercise, all countries will need to carry out a stocktaking exercise of the previous NC. The main objective of this exercise is to ensure that the TNC addresses gaps and needs of improvements of the previous NCs. However, it is important to note that no country has yet submitted a proposal for Third NC, with the exception of Uruguay whose TNC is already covered under the previous GEF umbrella project.</p> <p><u>Second bullet point:</u> Close coordination between the GEF and IAs will ensure that all countries will follow a similar set of guidance for the preparation of their NCs regardless of the funding window. 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.</p> |
| <p>Conclusions and Recommendations: On the basis of the above considerations we strongly recommend to go ahead with further developing the project taking into account the points raised in this project review. The issues raised should be adequately</p> | <p>Noted. The above explanations are provided in the CEO endorsement request.</p> |

| Comments | Responses by Implementing Agencies |
|--|---|
| addressed in the final document which will be submitted for CEO endorsement. | |
| 2. Comments provided by France | |
| <p>The project is focused on providing support to 50 Non-Annex I Parties countries to prepare their National communication to UNFCCC. It falls under a continuing enabling activities effort provided by the GEF, as financial mechanism of UNFCCC. The proposal is in line with this existing process. Its implementation nevertheless raises two points:</p> <ul style="list-style-type: none"> • The principle of “first-come, first served” is proposed to choose the 50 countries to be supported; how can we ensure that this principle doesn’t leave in the long term countries without the relevant timely support to elaborate their National Communication? • It seems as a sound principle to check that the countries applying for this project support have made good progress on the implementation on their current National Communication implementation before they are granted support to elaborate a new one. <p>Opinion: favourable</p> | <p><u>First bullet point:</u> GEF is allocating sufficient resources under GEF-5 to fund all the countries that will not be part of the 50 countries to be covered under this global project.</p> <p><u>Second bullet point:</u> As explained above, the 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.</p> |
| 3. Comments provided by the STAP | |
| <p>This is an enabling activity which aims to support national stock taking, stakeholder consultation, with the ultimate goal of improving the national communications prepared by the Non-Annex I countries. There is a lack of clarity on the project components, outcomes and the activities proposed in the project. In section A of Part-II, the issues to be addressed are not clear. It only highlights the need for sustaining NC preparation, capacity building. There may be clarity among the project implementing agencies (UNDP and UNEP), however, it may not be clear to other Agencies. Clarification is recommended as follows:</p> | Responses provided below next to each question |
| <p>Component I: It is not clear how the proposed project will contribute to improving the national communication. Does it aim to assist the ongoing projects or does it aim to assist preparation of improved proposals for the next NC of the different participating countries?</p> | <p>It aims to provide financial and technical support to countries for the preparation of the Third NC projects in 50 Non-Annex I Parties. The IAs will work closely with Government counterparts since the project formulation phase to ensure that the projects focus on the critical gaps and areas that will require improvements so that quality of the NC reports is enhanced.</p> |
| <p>Self-assessment of the previous/ongoing NC is understandable. How this process would help the countries who are about to complete their SNC or who have already submitted proposal for TNC?</p> | <p>The self-assessment is a precondition for any new NC. As explained above, the main objective of this self-assessment is to ensure that the Third NC addresses gaps and needs of improvements of the previous NCs. No country has yet submitted a proposal for Third NC, with the exception of Uruguay, which is already covered under the previous GEF umbrella project.</p> |
| <p>There is need for broad guideline for self-assessment, so that the results of studies from 50 countries are comparable.</p> | <p>Self-assessment guidance has been developed by the IAs to guide countries through this process (see guidance attached).</p> |
| <p>This component aims at identifying project components eligible for GEF support. How can this help an ongoing project or a project about to be completed? Will GEF provide additional funds to an ongoing project? If some limitations or gaps are identified in an ongoing project, will GEF provide additional funds?</p> | <p>This component solely refers to new country projects (new NC). GEF will not provide additional funds to ongoing projects. If some limitations or gaps are identified in an ongoing project, this will be integrated into the new self-assessment and can be addressed under the new project as one key area of work.</p> |
| <p>The stock taking and self-assessment may assist preparation of proposals for the next NC.</p> | <p>Yes, this is the objective/expected outcome of the self-assessment (see related responses above).</p> |
| <p>Self assessment should assess the impacts of previous or ongoing NC activities in promoting mitigation and adaptation projects. This component should also assess the sustainability of institutional arrangements and capacity built for preparation of NC. There is a specific need to assess the modelling capacity building requirements of the countries.</p> | <p>This is in line with the objective of the self-assessment. The institutional arrangements is one of the areas that countries are expected to analyze when formulating the NC project proposal (see attachment). Countries are also expected to identify support needed to build technical capacity, which will include needs to strengthen modelling skills as appropriate. In this context, countries will allocate resources within the project to support capacity building requirements.</p> |
| <p>One of the outputs is 50 NC project proposals submitted in 6 months. Will it be feasible to do this, since countries may be at different stages of preparing SNC or TNC? Will this project focus on countries who have not submitted proposals for SNC?</p> | <p>Countries are indeed at different stages of preparing their current NCs. As explained above, priority will be given to countries that have already submitted their SNC and those</p> |

| Comments | Responses by Implementing Agencies |
|--|---|
| <i>STAP Comments (continuation)</i> | that are more advanced. UNDP and UNEP will work closely with the 50 countries in order to ensure that the project proposals are ready within 6 months after receiving the initial preparatory funding support. Furthermore, countries have gained valuable experience after going through the same process when preparing their SNC project proposal. |
| Component II: The objective of the second component is not clear | The second component relates to the actual preparation of the national communications once the project proposals are approved by the IAs. It involves the substantive work and studies in the different components of the NC projects and the support provided to countries to prepare them. |
| Will this funding be additional to project preparation grants, normally given to the countries by GEF? | The project preparation grants (\$20,000) is included in the total funding that Non-Annex I Parties are eligible for under the GEF support for NCs following expedited procedures, which for Third NC was increased to 500,000 (for SNC the funding allocation under expedited procedures was \$420,000, including preparation grants). Thus, countries that request 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 USD 500,000 for the preparation of their NC. |
| How will this project assist a country which has already submitted a proposal for SNC or TNC? | There is no country where this is currently the case. Once the GEF funding becomes available, the IAs will expedite the procedures to disburse the project preparation funds. |
| Is it some sort of bridge finance between ongoing NC and the next NC? | Correct. This funding is in response to the COP request to the GEF to provide continuous and predictable funding for the preparation of NCs to Non-Annex I Parties. |

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES:

N/A. EACH INDIVIDUAL PROJECT SUBMITTED BY COUNTRIES FOR APPROVAL TO THE IAS WILL PROVIDE THIS INFORMATION BASED ON NATIONAL CIRCUMSTANCES.

| <i>Position Titles</i> | <i>\$/ person week*</i> | <i>Estimated person weeks**</i> | <i>Tasks to be performed</i> |
|-----------------------------------|-----------------------------|-------------------------------------|------------------------------|
| For Project Management | | | |
| Local | | | |
| | | | |
| International | | | |
| | | | |
| Justification for Travel, if any: | | | |
| For Technical Assistance | | | |
| Local | | | |
| | | | |
| International | | | |
| | | | |
| Justification for Travel, if any: | | | |

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS:

N/A

EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

N/A

- A. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:
- B. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

| <i>Project Preparation Activities Approved</i> | <i>Implementation Status</i> | <i>GEF Amount (\$)</i> | | | | <i>Co- financing (\$)</i> |
|--|----------------------------------|----------------------------|-------------------------------------|-----------------------------|--------------------------------|-----------------------------------|
| | | <i>Amount Approved</i> | <i>Amount Spent To date</i> | <i>Amount Committed</i> | <i>Uncommitted Amount*</i> | |
| | (Select) | | | | | |
| | (Select) | | | | | |
| Total | | | | | | |

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLOWS

N/A

Provide a calendar of expected reflows to the GEF Trust Fund or to your Agency (and/or revolving fund that will be set up)