



United Nations Development Programme
GLOBAL ENVIRONMENT FACILITY



To: Mr. Kenneth King
Assistant Chief Executive Officer
GEF Secretariat

Date: 12 April 2002

Mr. Lars Vidaeus, Chief
Global Environment Division.
World Bank

Mr. Ahmed Djoghla
GEF Executive Coordinator
UNEP, Nairobi, Kenya

From: Nick Brown
Officer-in-Charge

Subject: CC Enabling Activity Funding for St. Lucia: Climate Change Enabling Activity (Additional financing for Capacity Building in Priority Areas)

Please find attached for your review and comments a request for Enabling Activity funding entitled: *Climate Change Enabling Activity (Additional financing for Capacity Building in Priority Areas)*.

The Implementing Agency and the GEF Focal Point of St. Lucia have satisfied themselves that the proposal for additional funding complies with the Operational Criteria for the expedited financing for the Climate Change Enabling Activities.

We would appreciate receiving your comments no later than 24 April, 2002.

Thank you.

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**UNITED NATIONS DEVELOPMENT PROGRAMME
GLOBAL ENVIRONMENT FACILITY**

*Proposal for Review -
Expedited Financing for (Interim) Measures for
Capacity Building in Priority Areas Part II*

Country: Saint Lucia

Project Title: Saint Lucia: Climate Change Enabling Activity (Additional Financing for Capacity Building in Priority Areas)

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

Date of Ratification: 14th June 1993

GEF Financing (Phase I): US\$ 169,900
GEF Additional Financing (Phase II): US\$ 100,000
Total Costs: US\$ 269,900

GEF Implementing Agency: UNDP

Executing Agency: Ministry of Planning Development Environment & Housing

Local Counterpart Agency: Ministry of Planning Development Environment & Housing

Estimated Date of Initial National Communication Submission: December 2001

Estimated Starting Date: May 2002

Project Duration: 2 years

1. CURRENT PROJECT STATUS:

Saint Lucia has completed the preparation of its First National Communication to the Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC). The document is currently awaiting final endorsement from the Cabinet of Ministers.

Activities undertaken during this phase of activities included:

- Inventory of Greenhouse Gas Emissions for St. Lucia;
- Assessment of options and measures for the abatement of St. Lucia's Greenhouse Gas Emissions;
- Assessment of St. Lucia's vulnerability to and adaptation options for addressing, Climate Change;
- Identification of Financial & Technological needs.

With the completion of Phase I activities, the need has been recognized to build upon successes and to address gaps in a number of areas. Specifically, the need has been recognized to:

- Increase public awareness and education activities in order to reach the general public and specific target audiences;
- Strengthen networking, collaboration and dialogue between Government, non-government and civic stakeholder entities;
- Build capacity for increased and improved ability to address issues relating to climate change, especially for participation in systematic observation networks and for the assessment of technology needs;
- Develop programmes to further address Climate Change.

The Implementing Agency and the GEF Focal Point of Saint Lucia have satisfied themselves that the proposal for additional funding complies with the Operational Criteria for the expedited financing of climate change enabling activities.

By undertaking the GEF/UNDP Climate Change Enabling Activity Part II, Saint Lucia is aware that it must wait both for the future decisions of the Conference of the Parties regarding the preparation of the Second National Communication and for the GEF guidelines to operationalize those decisions.

2. ACTIVITIES TO BE UNDERTAKEN IN PHASE II PROJECT:

The National Communication Support Programme (NCSP) is currently developing regional/global proposals in several areas of work that might have implications for the national activities described in this project. Implementation of the project will be carried out in close coordination with the NCSP to ensure that areas of synergy will be identified where possible, and to avoid duplication for cost-effectiveness. The country will be informed of the proposed NCSP activities as soon as they are underway.

Under Phase I of St. Lucia's climate change enabling activities, it was recognized that there were a number of areas that necessitated further research and assessment. Addressing these will require fulfilling a broad range of technology needs. Priority areas of focus include:

- Identifying suitable energy technologies to reduce greenhouse gas emissions;
- Identifying technological and related needs for managing the country's water resources which are expected to be significantly impacted as a result of climate change; and,
- Enhancing capability for participating in systematic observation networks, including adopting technologies and methodologies to map and monitor micro-ecological and micro-climatic parameters.

A. Technology Transfer:

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

As part of Phase II Activities and in fulfillment of recognized needs, the following activities will be undertaken:

- Developing local capacity through training key stakeholders on identifying, evaluating design, and installing wind energy and other Renewable Energy Technology (RET) systems for application at the national level.
- Developing/ acquiring appropriate methodologies and building national capacity to undertake greenhouse gas inventories. Deliverables are expected to include a training workshop on relevant methodologies and techniques.
- Identifying technological and related needs for managing the country's water resources, which are expected to be significantly impacted as a result of climate change. A national strategy for water resource management will then be prepared. Outputs are expected to include a preliminary status report and a proposal for detailed resource assessment and planning;

- Establishing dialogue between stakeholders and undertaking public awareness activities in support of the above mentioned activities.

B. Capacity Building for Participation in Systematic Observation Networks

In an effort to build national capacity to participate in systematic observation networks, the following activities will be undertaken:

- Enhancing the capacity of relevant agencies to undertake mapping and monitoring of micro-climatic and ecological zones in order to establish baselines and record long-term trends. This will include training, actual field studies, data input and analysis, as well as a preliminary report.
- Strengthening the capacity of the Meteorological Service and other agencies in the management, storage, processing analysis and dissemination of climatological data from which global warming trends may be identified;
- Defining of medium and long-term priority needs for participation in systematic climatological observation. In this regard, a needs assessment report is expected to be prepared.
- Undertaking public awareness activities in support of the aforementioned activities.

3. PROJECT MANAGEMENT/INSTITUTIONAL ARRANGEMENT

The project will be implemented through the Ministry of Planning, Development, Environment & Housing. While the Ministry will retain overall responsibility for administration and coordination, it will be assisted by the broad-based National Climate Change Committee (NCCC) and collaborating agencies in project implementation and oversight. The NCCC has overseen the implementation of Phase I activities and other Climate Change Projects and has been very effective in this regard. Its continued involvement will assist *inter alia* in:

- Ensuring wide stakeholder involvement and participation as occurred during Phase I activities;
- Ensuring continuity between Phase I and Phase II activities;
- Developing and maintaining synergies between Phase II activities and other Climate Change initiatives.

To the fullest extent possible, functional linkages will be developed with other relevant initiatives ongoing in Saint Lucia. Linkages will also be developed with relevant initiatives at a regional level and, where appropriate, with initiatives and agencies at the international level. In order to ensure effective and timely information exchange, steps will be taken to utilize available information networks, including the Internet.

4. MONITORING AND EVALUATION

Ongoing project monitoring will be undertaken by the Executing Agency in collaboration with the NCCC. The Executing Agency, will prepare regular project status and expenditure reports.

Prior to the release of the GEF additional financing by the UNDDP for Phase II activities, standard UNDP monitoring and evaluation practices will be followed for the Phase I Project. In particular, the UNDP will receive copy of the Final report (of Phase I, within 6 month), Annual Report of the Project (APR), and the Tripartite Review (TPR). The UNDP will review project implementation utilizing procedures already in place for Phase I activities. These include a mid-term evaluation and a tri-partite review to be held within the first 12 months of the start of the full implementation of the project.

At the end of the project, an external review will be conducted by an expert with appropriate experience in such projects. The purpose of this review will be to evaluate outputs under the various activity areas.

At the end of the Phase II, a final report on Phase II results will be submitted to the UNDP and UNDP/GEF Headquarters.

TABLE C 2

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

Note: x denotes activities covered by the proposed project

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

Table D 2

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

Activity	Planning and Execution	Capacity Maintenance/ Enhancement			Technical and Administrative Support	Cost Estimates
		Data Gathering and Research	Institutional Strengthening	Training, Education and Public Awareness		
2.A (i) Identification and submission of technology needs						
2. A (ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects	\$2,000	\$12,000	\$8,300	\$9,500	\$4,000	\$35,800
2. B. Capacity building for participation in systematic observation networks	\$1,000	\$31,000	\$3,700	\$13,500	\$1,500	\$50,700
2. C. Preparation of programs to address climate change						
3. Project management	\$3,000	\$4,000	\$4,500			\$11,500
4. Monitoring & Evaluation		\$2,000				\$2,000
Total	\$55,000		\$12,000	\$23,000	\$10,000	\$100,000

3-2001(d)

February 7, 2002

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**RE: PROJECT PROPOSAL FOR INTERIM FINANCING ON FIRST NATIONAL
COMMUNICATION (PHASE II)**

The Government of St. Lucia has recently submitted the country's First National Communication to the Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC). As such, steps are being taken to undertake the next phase of Climate Change Enabling Activities. The abovementioned proposal has been reviewed in this context.

As GEF Focal point for St. Lucia, I hereby indicate my fullest support for, and endorsement of, the proposal and seek your support in forwarding same to the GEF Council for consideration

Yours sincerely


Allan King-Joseph
PRESIDENT SECRETARY

EXECUTIVE SUMMARY

BACKGROUND

The preparation of St. Lucia's First National Communication to UNFCCC was funded by the Global Environmental Facility (GEF) through the United Nations Development Programme. The process, which commenced in June 1999, was executed by the Ministry of Planning, Development, Environment & Housing and coordinated through the broad-based National Climate Change Committee.

The process of preparing this initial communication necessitated the involvement and participation of a wide range of stakeholders from various sectors. These were drawn from Government agencies, statutory bodies, non-governmental organizations and civil society.

Technical studies were undertaken using local and regional expertise. Wherever possible, even when non-national consultants were contracted, local capacity was strengthened in order to carry out as much of the work as possible. Key areas of focus for capacity building included:

Inventory of Greenhouse Gases;
Vulnerability and Adaptation Assessment;
Web Site Development and Maintenance.

The National Communication is arranged as follows:

National Circumstances
National Inventory of Greenhouse Gases
Greenhouse Gas Abatement Analysis
Vulnerability and Adaptation Assessment
General Description of Steps Taken
Financial & Technological needs

NATIONAL CIRCUMSTANCES

St. Lucia is one of many Small Island Developing States (SIDS) located in the Caribbean Sea. It is of relatively recent volcanic origin with a rugged topography.

As is typical of many such States, St. Lucia is characterized, *inter alia*, by:

Limited mineral resources;
An open fragile economy highly vulnerable to external economic factors;
Limited human resources;
Limited financial and technical resources.

Although a small island, St. Lucia has a relatively high level of biological and ecosystem diversity. It is home to numerous terrestrial and marine plants and animal species. Ecosystems include rainforest, coral reefs, mangals and sea grass beds

Population centres and economic activities, including tourism, are concentrated along the coast. These are therefore highly vulnerable to the anticipated effects of climate change such as sea-level rise.

Water resources occur mainly in the form of surface streams. These are tapped for the municipal supply as well as for agricultural purposes. During the dry season, water shortages are often experienced in many areas. The supply of water has been affected over the years by deforestation and there is grave concern that it may be further negatively affected by the effects of climate change.

St. Lucia is poor in mineral resources including petroleum. Consequently, there is heavy dependence on imported fuels for electricity generation. Approximately 97 percent of the population currently has access to electricity.

The main economic activities are tourism, agriculture, services and manufacturing, in that order. Bananas constitute the main agricultural export although production has fallen sharply over the last few years due to unfavourable developments in traditional markets. This serves to underscore St. Lucia's vulnerability to external economic factors.

Overall, St. Lucia's fragile natural and economic circumstances make it highly vulnerable to external events. Climate change is therefore likely to have a significant impact on the natural, social and economic environment of the country.

NATIONAL INVENTORY OF GREENHOUSE GASES

For the Inventory of Greenhouse Gases (GHGs), 1994 is used as the reference year. Calculations were done using IPCC guidelines. In that year, total CO₂ emissions were calculated at 268 Gg. The energy sector was St. Lucia's largest source of GHGs, followed by the transport sector. Emissions were offset by absorption by sinks resulting in net 74Gg. It was recognized during the conduct of the inventory that there were significant data gaps and that IPCC values were not totally applicable to the St. Lucia context. These observations underscored the need for capacity building in order to establish and maintain appropriate systems for data collection and analysis.

CLIMATE CHANGE VULNERABILITY AND ADAPTATION

A number of key effects have been ascribed to climate change. These include higher global temperatures; sea level rise; more intense weather phenomena such as hurricanes and droughts and changing rainfall patterns.

The initial Vulnerability and Adaptation study carried out for St. Lucia in the context of these effects involved the assessment of climate change impacts on Agriculture; Coastal Resources; Forestry and Terrestrial Resources; Human Settlements; Freshwater Resources; Fisheries; Health and Tourism.

The overall conclusion of the study is that all sectors are likely to be significantly impacted by climate change with major, mostly adverse, environmental, economic and social consequences. Of particular concern are the anticipated impacts on agricultural production, water supply, fisheries, tourism and coastal resources.

The study identifies measures for adapting to the effects of Climate Change. These include public awareness, the introduction of drought- and salt-resistant crops; development of a national water management plan, watershed protection and relocation of critical infrastructure.

ABATEMENT ANALYSIS

St. Lucia's greenhouse emissions originate from various sources in the energy, transportation and agricultural sectors. The abatement analysis identified, and assessed the suitability of, a wide range of options for reducing emissions. These range from the increased exploitation of renewable sources of energy such as wind, to the introduction of alternative- fuel vehicles. The need for demand-side management in the energy sector was also recognized.

The Abatement Analysis was undertaken in the context of an ongoing process to formulate a Sustainable Energy Plan for St. Lucia. This process was initiated following St. Lucia's announcement during the 5th Conference of Parties to the UNFCCC of its intention to become the world's first Sustainable Energy Demonstration Country.

GENERAL DESCRIPTION OF STEPS TAKEN

St. Lucia, as a Small Island Developing State, has limited capacity to address the myriad issues to be faced as a result of the climate change phenomenon. Notwithstanding, notable progress has been achieved in areas such as policy development, public awareness, systematic observation and research and capacity building.

FINANCIAL AND TECHNOLOGICAL REQUIREMENTS

The effects of climate change will have far reaching implications for all aspects of life in St. Lucia. Steps must therefore be taken to address all relevant issues in a proactive, coordinated manner. Given St. Lucia's limited human, financial and technological resources, regional and international cooperation and support will be required in a number of key areas including research, capacity building, adaptation measures, sustainable energy initiatives and public awareness.