



Cynthia Page <cynthia.page@undp.org> on 01/12/2001 09:14:28 AM

Subject: Sri Lanka CCEAll: revised

Dear Song Li:

We are pleased to submit for your consideration the revised proposal for Climate Change Enabling Activity (additional financing for capacity building in priority areas) for Sri Lanka (revised).

To facilitate your review of this proposal, please note that the following now mandatory paragraph has been added on page 2 as requested:

"The Implementing Agency and the GEF focal point of Sri Lanka have satisfied themselves that the proposal for additional funding complies with the Operational Criteria for the expedited financing of climate change enabling activities."

We look forward to receiving CEO approval immediately.

Thank you,
Cynthia Page



- Sri Lanka EAll 12Jan01.doc

To: Song Li <Sli@Worldbank.Org>
Avani Vaish <Avaish@Worldbank.Org>
Yasemin Biro <Ybiro@Worldbank.Org>



United Nations Development Programme
GLOBAL ENVIRONMENT FACILITY (GEF)



To: Mr. Avani Vaish, GEF Secretariat
Ms. Song Li, GEF Secretariat
Dr. Yasemin Biro, GEF Secretariat

Date: 12 January 2001

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Pages: (11 including this page)

From: Cynthia Page
UNDP-GEF

Subject: **Submission of Climate Change Enabling Activity (additional financing for capacity building in priority areas) for Sri Lanka (revised)**

We are pleased to submit for your consideration the revised proposal for Climate Change Enabling Activity (additional financing for capacity building in priority areas) for Sri Lanka.

To facilitate your review of this proposal, please note that the following paragraph has been added on page 2 as requested:

“The Implementing Agency and the GEF focal point of Sri Lanka have satisfied themselves that the proposal for additional funding complies with the Operational Criteria for the expedited financing of climate change enabling activities.”

We look forward to receiving CEO approval immediately.

Thank you.



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 MINISTRY OF FORESTRY & ENVIRONMENT.

පරිසර අංශය (අභ්‍යන්තර). ENVIRONMENT DIVISION.

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 කොළඹ 08,
 104A, Kithulwatta Road
 Colombo 08.

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 Date: 9/6/2000

Ms. Rebecca Carman
 National Communications Support Programme
 United Nations Development Programme
 104 East 45th Street, 16th Floor
 New York, NY 10017
 U.S.A.

Fax No. 212-906-5825
 212-906-5898

Dear Ms. Carman,

CLIMATE CHANGE ENABLING ACTIVITY (ADDITIONAL FINANCING FOR CAPACITY BUILDING)

In my capacity as the GEF Operational Focal Point of the Government of Sri Lanka, I would like to place my Government's endorsement for the proposed Climate Change Enabling Activity (Additional Financing for Capacity Building) under the GEF guidelines for Expedited Financing of Climate Change Enabling Activities Part II.

This proposal includes Climate Change related activities to enhance the country's capacity building and to strengthen the ongoing enabling activities. On behalf of the Government of Sri Lanka, I would like to express our appreciation to the UNDP for the successful implementation of the Enabling Activity Project on Climate Change which is expected to be complete by end September 2000. Officers of the UNDP country office in Colombo have extended their fullest cooperation to this Ministry in all aspects of project implementation.

I kindly request UNDP to undertake all necessary steps to submit this project proposal to the GEF and obtain approval for its funding as soon as possible. It is our understanding that UNDP has agreed to act as the GEF implementing agency for the extended Enabling Activity on Climate Change. I am happy to concur this arrangement.

With best regards,

Yours sincerely,

K. A. S. Gunasekera
 Secretary
 Ministry of Forestry & Environment
 GEF Operational Focal Point of Sri Lanka

Copies to: Mrs. Manel Jayaramne, Asst. Resident Representative, UNDP Colombo
 ✓ Miss Cynthia Page UNDP New York Fax: 212-906-6998

INCOMING MAIL	
UNDP/GEF	
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DATE:	SEP 6 - 2000
CC:	C. Page
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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: Sri Lanka

Project Title: Sri Lanka: 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: 23rd November 1993

GEF Financing (Phase I): US\$ 110,000
GEF Additional Financing (Phase II): US\$ 100,000
Total Costs: US\$ 210,000

GEF Implementing Agency: UNDP

Executing Agency: Government of Sri Lanka

Local Counterpart Agency: Ministry of Forestry & Environment

Date of Initial National Communication Submission: 2nd November 2000

Estimated Completion Date of Phase I Project Activation: 31st December 2000

Estimated Starting Date: January 2001

Project Duration: 2 years

1. CURRENT PROJECT STATUS

The First National Communication of Sri Lanka was submitted to the UNFCCC on 2nd November 2000.

The institutional arrangements for the First National Communication were completed in 1998 through the establishment of the Project Office in the Environment Division of the Ministry of Forestry and Environment and the appointment of a Project Manager. A brief account of the achievements related to the First National Communication, through the project entitled *Enabling Sri Lanka to Prepare its First National Communication in response to its Commitments to the UNFCCC*, is given below.

(i) Updated the National Greenhouse Gas Inventory to reflect 1993-1995 figures.

- ❖ Held discussions with public sector organizations for data collection.
- ❖ Trained officers of the Department of Census & Statistics for collection of data; and
- ❖ Held three workshops over a one-year period (total of 156 participants from over 28 agencies). The last workshop was held to finalize the Inventory and the final Greenhouse Gas Inventory was completed at the end of 1999.

(ii) With regard to the GHG abatement analysis for non-energy sources (agriculture, forestry and waste management), the following activities were completed.

- ❖ Held a Project Initiation Workshop to decide the planning process for establishing a specific national goal to protect all vulnerable resources and to select adaptation measures to meet the goal.
- ❖ Prepared a report on existing methodologies on the status of agriculture, forestry and waste management with regard to abatement analysis.

(iii) Formulated a National Action Plan for implementing the identified response measures to address climate change and its adverse impacts including the abatement of increase in GHG emissions and enhancement of sinks.

- ❖ Prepared reports for the following sectors by core teams: energy, industry, transport, agriculture, forestry, water resources, coastal zone, ports and fisheries, human health, human settlements and public utilities.
- ❖ Developed the policies and measures for the National Communication with inputs from workshops and discussions with sectoral agencies.
- ❖ Prepared a National Action Plan on Climate Change, finalized in May 1999 with inputs from workshops.

(iv) Preparation of the First National Communication of Sri Lanka.

A core team of four consultants worked on the preparation of the First National Communication of Sri Lanka.

To facilitate the dissemination of information on Sri Lanka's First National Communication, steps were taken by the Project Manager in conjunction with the Council for Information Technology (CINTEC) to establish a National Home Page on Climate Change. The Home Page was completed by mid-September 2000 (www.lk/slclimatechange/index.htm).

The Implementing Agency and the GEF focal point of Sri Lanka have satisfied themselves that the proposal for additional funding complies with the Operational Criteria for the expedited financing of climate change enabling activities.

2. ACTIVITIES TO BE INVOLVED IN PHASE II PROJECT

The Government of Sri Lanka under the Operational Guidelines for Expedited Financing of Climate Change Enabling Activities, hereby requests additional interim funds to the value of US \$100,000 to conduct Phase II of Enabling Activities as a follow up of UNDP/GEF Enabling Activity Project on Climate Change SRL/97/G32.

These funds are requested to undertake additional activities to fulfill the commitments under the UNFCCC. These interim funds are also requested to help maintain and enhance the capacity of Sri Lankan institutions and experts in anticipation of preparing the Second National Communication on Climate Change in the future. In addition, these activities will help to ensure the continuity of enabling activities as (i) the proposed phase II project will take direction from results of the First National Communication, and (ii) the proposed activities will extend the current knowledge and help to integrate climate change concerns in the country's planning process.

A. Technology Transfer

(i) Identification/submission of technology needs

Sri Lanka has prepared the Greenhouse Gas Inventory for the period 1993-1995 under the Enabling Activity Project. Under this project, evaluation of relevant technologies for abating GHG emissions were not evaluated. Therefore, Phase II Enabling Activities will focus on examining technologies and related measures to reduce emissions from greenhouse gases.

Activities will include:

- a) Collection and analysis of available information on renewable energy and energy efficient technologies;

- b) Sectoral assessments, discussions on policies and measures, integration of Climate Change concerns into development planning;
 - c) Training workshops for concerned institutions with international and local experts;
 - d) Analysis of renewable energy technologies for GHG abatement. Relevant studies are planned focussing on renewable energy technologies. Reports will be prepared on these studies;
 - e) Analysis of energy efficient technologies for GHG abatement. Sri Lanka has not taken decisive steps in analysing energy efficient technologies to abate emissions under the enabling activity project. Therefore studies are planned to evaluate the demand side technologies and will be used as the basis for project proposal preparation. The results will be documented in reports; and,
 - f) Analysis of clean energy technologies such as wind, solar, and geo-thermal, will be undertaken. This evaluation is expected to help reduce GHG emissions and save energy for more economical uses. More relevant technologies for each sector will be identified (commerce, industry, household).
- (ii) Capacity building to assess technology needs, modalities, to acquire and absorb them, design, evaluate and host projects**

Proposed activities include:

- a) Build capacity to develop proposals related to climate change technology transfer
 - Technical training will be given to relevant officers to assess GHG reducing technologies with a view to identifying projects that can be absorbed into the Sri Lankan economic structure. This capacity building will improve the local experts' ability to identify and design projects.
 - To provide additional information to assist with analyzing technology transfer needs and options, and to continue to build capacity to assess technology needs within Sri Lanka, a series of analyses (physical, socio-economic, and risk) will be undertaken to examine sea-level rise, agriculture, and forestry. A summary of these analyses will be provided to those evaluating technology transfer projects.
 - Trained officers will engage in identifying, designing, and evaluating the most promising projects for future action. The output will be a group of climate change technology transfer projects that have been identified as necessary and relevant for Sri Lanka.
 - Under the enabling activity project on climate change, data base development was identified as an activity for future development. This activity will be taken up with the Department of Meteorology and the Climate Change Study Centre. The website created under the enabling activity project (www.lk/slclimatechange/index.htm) will be used for

the database development. GHG inventory information, climate change action plan, and climate change sub-projects will be developed under this activity.

- b) Participate in workshops, with international and local experts, in order to continue to build capacity in this area.
 - Sri Lankan experts have participated at some regional workshops related to the preparation of national communications. At those workshops it was found that having links with other Asian and Pacific countries is important for regular information exchange regarding climate change issues. Therefore, participation at regional workshops will be continued in future, and will serve as a tool for building capacity under the area of climate change technology transfer.

B. Capacity Building for Participation in systematic observation networks

Capacity building for participation in systematic observation networks will not be conducted under this proposal.

C. Studies leading to the preparation of national programs to address climate change improvement of emission factors

In the preparation of GHG inventories under the enabling activity project on climate change, emissions of Greenhouse gases from various sources are estimated using methodologies presented by IPCC guidelines. Standard emission factors for the power and transport sector for Sri Lanka have not been tested and established. Although several references for emission factors were made in other studies, they were not used in the preparation of the GHG inventory 1993-1995 due to the uncertainty of representation and reproducibility. Therefore, studies leading to the improvement of emission factors relating to energy production, petroleum refining, manufacturing industries, iron and steel manufacturing, transport sector and agriculture sector will be undertaken with a view to: (a) improving country specific emission factors for each sector; (b) training of officers/experts on establishing and using country specific emission factors in the preparation of GHG inventories; and (c) updating the database for emission factors.

If Sri Lanka participates in a regional project on studies leading to the improvement of emission factors, then the activities on studies described under this section will not be duplicated. A budget revision for this activity item (2.C.) will therefore be prepared and a description of proposed activities to be conducted with the reallocated funds (US\$ 22,500) will be submitted to the UNDP-GEF.

The following activities are proposed:

- (i) a 2 day workshop to identify a work-plan for each sector in establishing and improving emission factors;
- (ii) plan and conduct mini-workshops for each sector to prepare details of activities and work-plans;

- (iii) develop improved emission factors for each sector as necessary (i.e., energy production, petroleum refining, manufacturing industries, iron and steel manufacturing, transport sector and agriculture sector). This development of emission factors will draw on, and improve, in-country expertise in GHG inventories. The results for each sector will be communicated through a report on emission factors that will contribute to any future national programs on improving emission factors;
- (iv) training of officers/experts on establishing and using country specific emission factors in the preparation of GHG inventories; and,
- (v) update the database for emission factors.

3. PROJECT MANAGEMENT/INSTITUTIONAL ARRANGEMENT

The Ministry of Forestry & Environment will have the responsibility of overall coordination of the project activities, through the Steering Committee on Climate Change. The Project Office will consist of a Project Coordinator, Programme Officer, Accountant and Project Assistant. Other project staff will include a Computer Analyst and a Messenger/Office Aide to attend to manual work such as photocopying, delivery of letters, etc. The same personnel and institutional structure involved in coordinating the preparation of the First National Communication in Phase I will be involved in the proposed Phase II project.

The Steering Committee will have a membership of 25 to 30 to represent the Ministry of Forestry & Environment, Ministry of Agriculture, Dept. of Agriculture, Forest Department, Dept. of Meteorology, Coast Conservation Department, Ministry of Irrigation and Power, and other relevant agencies. The Chairman of the Steering Committee will be the Secretary to the Ministry of Forestry & Environment.

The Project Office will work closely with the UNFCCC UNDP/GEF, National Communication Support Programme and other related organizations.

4. MONITORING AND EVALUATION

A detailed work-plan will be prepared for project monitoring and evaluation. The timely monitoring of project activities will enable to identify delays in implementation, gaps and overlaps in activities of project.

The executing agency, the Ministry of Forestry and Environment with the assistance of the Project Steering Committee (PSC) will be responsible for monitoring the project on a continuous basis. The Project Coordinator will report to the Ministry and PSC the progress of the project on a quarterly basis.

The project is subject to tripartite review (including donor agency, the Ministry, External Resources Department) once a year. The Project Coordinator will prepare and submit the Project Performance Evaluation Report for each review meeting.

A Project Terminal Report will be prepared in advance for consideration at the terminal tripartite review enabling the review and technical clearance.

An expert, with experience on the subject, will undertake an external review during project implementation. The ongoing reviews will identify any lapses in implementation and will enable the project to take remedial measures.

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

If Sri Lanka participates in a regional project on studies leading to the improvement of emission factors, then the activities on studies described will not be duplicated. A budget revision for this activity item (2.C.) will therefore be prepared and a description of proposed activities to be conducted with the reallocated funds (US\$ 22,500) will be submitted to the UNDP-GEF.

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

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

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 & Administrative Support	Cost Estimates
		Data Gathering and Research	Institutional Strengthening	Training, Education and Public Awareness		
2.A (i) Identification and submission of technology needs	10,000				5,000	15,000
2.A.(ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects	30,000		10,000	10,000	2,500	52,500
2.B. Capacity building for participation in systematic observation networks						
2.C. Preparation of programs to address climate change	7,000		7,000	6,000	2,500	22,500
3. Project management			2,500	5,000		7,500
4. Monitoring & Evaluation			1,000	1,500		2,500
<u>Total</u>	<i>47,000</i>		<i>20,500</i>	<i>22,500</i>	<i>10,000</i>	<i>100,000</i>