

PROPOSAL FOR REVIEW

Project Title:	Uzbekistan: Country Study on Climate Change
GEF Focal Area:	Climate Change
Country Eligibility:	Eligible under paragraph 9 (b) of the Instrument
Total Project Costs:	US \$ 325,500
GEF Financing:	US \$ 325,500
Country Contribution:	In kind
Cofinancing/Parallel Financing:	Not applicable
GEF Implementing Agency:	UNDP
Executing Agency:	Government of Uzbekistan
Local Counterpart Agencies:	State Hydrometeorological Department State Committee on Nature and Environmental Protection
Estimated Approval Date:	October 1995
Project Duration	2 years
GEF Preparation Costs:	None
Government Endorsement:	Received 7 February, 1995

BACKGROUND AND PROJECT CONTEXT

1. The Republic of Uzbekistan is situated in the center of the Eurasian continent within the subtropical zone of the northern hemisphere. The climate is typical continental-subtropical with dry hot summers and fluctuating weather in winter. The territory of Uzbekistan covers 447,400 km² of which almost 80% is occupied by the deserts. The deserts are flanked by extensive mountains in the east and southwest which occupy 15% of the territory. The main water arteries are the two transboundary rivers, the Amudarya and the Surdarya which deliver their waters into the Aral Sea.

2. The population of Uzbekistan in 1993 was 22.5 million with an annual growth rate of 2.5%. As with most of the New Independent States (NIS) of the former USSR, Uzbekistan has, during its four year period of independency, experienced a declining economy, fiscal and monetary imbalances, and a general deterioration in the standard of living. To address these problems and to attract foreign investments into the country, the Government has launched a program to transform the economy from the former centralized decision-making system to a more market-based one. The key areas which have been addressed are:

- ▶ agricultural sector (removal of state orders and liberalization of prices, especially for cotton and grains)
- ▶ utilization of the country's considerable mineral and energy resources
- ▶ telecommunications
- ▶ transport
- ▶ environment

3. The main economical sector in Uzbekistan is agriculture, especially the cultivation of cotton which is the main source of income, employment and foreign exchange. The cotton sub-sector has also generated about 80% of the Government's tax revenue.

Energy

4. All the Central Asian countries, especially Kazakhstan but also Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan are rich in energy resources. These include coal, oil, natural gas and/or hydropower, depending on the country. Besides the "conventional" sources of energy, the Central Asian countries also have a remarkable potential in considering the uses of renewable sources of energy. With respect to wind energy, Kazakhstan has the best natural and climatic conditions; regarding hydropower, Turkmenistan and Kyrgyzstan are the first. All the Republics have excellent dispositions for using solar energy. For instance, Uzbekistan experiences, on average, over 300 cloudless days per year. Uzbekistan and Kazakhstan are also estimated to possess large geothermal resources.

5. The main source of energy in Uzbekistan is natural gas which made up almost 80% of the total primary energy consumption of 48.4 Mtoe in 1992. The share of coal and oil was approximately 10% each. The total electric capacity is 11,280 MW of which 9,570 MW is

thermal power and 1,710 MW hydropower. The total electricity consumption in 1992 was 50.8 TWh.

Environment

6. A distinctive feature of Uzbekistan as a part of the former Soviet Union was the massive development of the agricultural sector on the basis of cotton monoculture and extensive use of irrigation, fertilizers and pesticides. Besides the economical benefits, it also resulted in the major environmental problems that Uzbekistan is facing at the moment. The main concern is the drying up of the Aral Sea connected to the general depletion and pollution of surface and ground water resources in Uzbekistan.

7. Air pollution is primarily a problem in the largest urban centres (Tashkent, Ferghana and Margilan), which combine high population densities and polluting enterprises which use fuel oil or coal as an energy source or which process raw materials containing sulphur or nitrogen. In city centres, traffic is the major source of pollution, for example in some main intersections of Tashkent concentrations of carbon monoxide greatly exceed the acceptable levels.

8. The two main institutions dealing with environmental issues in Uzbekistan are the State Committee on Nature and Environmental Protection and the State Hydrometeorological Department. The work has been shared so that the State Committee of Hydrometeorology is responsible for monitoring the Environment "as a whole" (including air, water resources and land degradation), and the State Committee on the Protection of Nature is responsible for determining the legislative and regulative framework for considering environmental issues and monitoring individual enterprises that they work under this framework. It can also impose fines for the enterprises which do not follow the regulations.

9. According to an initial inventory of greenhouse gases made by the State Committee on Hydrometeorology in 1994, the total emission of carbon in 1992 was 33,639,000 m³tons, (the major source being, not surprisingly, energy production), with an average of 1.57t carbon per capita.

Project Background

10. A request for a GEF enabling activity to fulfil the commitments of Uzbekistan to the UN Framework Convention on Climate Change was sent to UNDP at the end of 1994 and further discussion were held in New York during the INC meeting in February 1995. With respect to this request, a mission to Uzbekistan was undertaken in July 1995 in order to organize a joint meeting with the relevant local partners and prepare a project brief for submission to the GEF Council Meeting. There are no other ongoing or planned projects to assist the Government of Uzbekistan to fulfil its commitments to the UNFCCC.

PROJECT OBJECTIVES

11. The immediate objectives of the project are to cover all the steps to prepare the first National Communication of Uzbekistan to the Conference of the Parties in accordance with Article 12 of the UN Framework Convention on Climate Change, and build in country capacity to fulfil its commitments to the Convention on a continuous basis. The communication will consist of an inventory of greenhouse gases in 1990 made in accordance with the IPCC guidelines; material for calculation of emission trends (if feasible); a general description of available or envisaged mitigation options; an assessment of the country's vulnerability to climate change and a general description of available or envisaged adaptation options.

12. Beside the communication, a national greenhouse gas mitigation strategy will be prepared in order to identify and develop concrete projects with the target of enhancing sinks or reducing global greenhouse gas emissions. The major emphasis will be on the identification of "win-win" measures, measures which are also least-cost options or have other national benefits which exceed the eventually additional costs, and on the effort to incorporate these measures in National Development Programmes. However, emphasis will also be put on identifying projects which are not yet least-cost options, but could be eligible for further funding or co-funding by GEF or other multilateral or bilateral organizations.

13. The impact assessment and adaptation study will focus on agriculture and water resources which are the most vulnerable sectors in the Uzbekistan's case. To the extent feasible also other sectors can be addressed depending on the resources and information available.

14. Last but not least, the project can be seen as an essential exercise to enhance general awareness and knowledge of climate change related issues in Uzbekistan; to strengthen the institutions and build in country capacity in order to take views and ideas related to climate change into account in the sectoral planning and strategy formulation process currently underway in Uzbekistan; and incorporate them also in the National Development Programmes. A part of this task is to develop an institutional mechanism/framework to strengthen the dialogue, information change and cooperation among all the relevant players in the field including governmental, non-governmental, academic, private and "grassroots" sectors.

PROJECT DESCRIPTION

15. During the project preparation, the following components and activities have been identified to respond to the objectives of the project and implement the project successfully:

- 15a) Identification of a local Project Coordinator/Manager and establishment of a National Steering Committee with participants from all the project relevant sectors to prepare a detailed work plan for the project (eventually with help of an international consultant) and to identify the institutions that will be responsible for implementing the different subcomponents of the project (institutions which are able to undertake these tasks

independently also after the project, as needed). During the project implementation the Project Steering Committee will:

- ▶ give guidance to, steer and monitor the implementation of the project;
- ▶ work as an additional information link between the project and the "outside world";
- ▶ establish permanent links to coordinate climate change related issues and initiatives in the country; and
- ▶ ensure and support smooth transition from this enabling activity to the actual implementation of the national GHG mitigation strategy and the identified GHG mitigation measures.

- 15b) Identify and create links to both national and international sources of information (such as the US Country Study Program and other bilateral programmes, UNEP, IPCC, CC:TRAIN, international research institutes dealing with climate change or mitigation of greenhouse gas emissions, ongoing national projects and programmes in recipient countries, e.g., the U.S. Country Study Project implemented in Kazakhstan, etc.) in order to undertake the specific tasks of the project; learn from experiences and ideas of similar kinds of projects elsewhere; and avoid duplication of effort. One main goal of this activity is to find potential international partners to cooperate with either on this project or on follow-up projects dealing with implementation of the identified mitigation or adaptation measures. To the extent possible electronic networks (Internet + World Wide Web) are used to save travel costs and enhance the geographical coverage of available information.

In accordance with the objectives of the project, information needs such as those listed below could be identified:

- information on climate change phenomena itself and its potential impacts (as understood now) to the global and local climates and biosystems;
- sources and sinks of greenhouse gases;
- methods to collect the statistical information needed for the inventories and tools to manage the data;
- internationally available information about the methodologies and practises related to the impact assessments and preparation of greenhouse gas mitigation strategies as well as information on different technologies and practices in the fields of energy efficiency, renewable energy sources, carbon sequestration, reduction of methane emissions, adaptation to climate change etc.; and

- potential international partners to provide services and/or funding for the implementation of the greenhouse gas mitigation strategy or pre-feasibility studies of the projects related to it.

Specific attention will be paid to dissemination of and public access to the available information (as well as to the results of this project) in order to enable the wide participation and involvement of all the interested individuals and organizations both during and after the project. The personnel of this activity will consist of computer specialists (providing support for all the partners involved) as well as experts of the specific fields related to project (renewable energy sources & energy efficiency, impact assessments etc.). As a part of this activity a "Documentation Center" will be established to facilitate information dissemination as well as to serve as a repository for the documentation related to the project activities.

- 15c) Study the impacts of climate change especially on agriculture and water resources, and develop recommendations on adaptation to it with respect to the specific geographical and climatological characteristics of Uzbekistan. The study will be built on the existing methodologies, tools and ongoing studies like the UNEP Country Case Studies on Climate Change Impacts and Adaptation Assessments. In this context also links to the ongoing UNDP project "Aral Sea Basin Capacity Development" will be established.
- 15d) Complete the initial 1990 national inventory of greenhouse gases based on the IPCC methodology and build in country capacity to undertake these inventories on a continuous basis.
 - d.1 Identify existing data gaps, evaluate the reliability of the data and prepare a strategy or undertake specific studies to fill the data gaps or enhance reliability of the data up to the level needed in the inventory.
 - d.2 Establish a data collection and management system under cooperation of the relevant institutions (including at least Ministry of Agriculture, Ministry of Energy, State Hydrometeorological Department, State Committee on the Protection of Nature, State Committee on Forecasting and Statistics) to provide the basic statistical data, detailed enough for the actual and following inventories, on a continuous basis.
 - d.3 Complete the inventory using the IPCC methodology
- 15e) Build capacity, develop tools and undertake studies to provide relevant information for formulation of a national greenhouse gas mitigation strategy.
 - e.1 Organize a workshop to present different methods and tools for mitigation analysis (like MARKAL, LEAP etc.) and clarify challenges and opportunities of such an analysis for the relevant institutions in Uzbekistan; not only from the

viewpoint of greenhouse gas reduction but also related to the general planning and development processes currently underway in the country.

- e.2 Establish a research group consisting of representatives from the relevant institutions to undertake the mitigation analysis and/or provide essential background information for the analysis and train the group to use the selected tools. Relevant fields are energy production and end use in the industrial and residential sector, transport, agriculture, forestry and waste treatment.
 - e.3 Build capacity in the research institutes and NGOs working with alternative energy sources, energy efficiency, advanced agricultural practises or carbon sinks to make preliminary feasibility studies and cost analysis of different options (covering also the regulatory and legislative framework, tariff and fiscal policies, tax incentives etc.) in order to provide the essential background information for the mitigation analysis and formulation of a national greenhouse gas mitigation strategy.
 - e.4 Undertake a mitigation analysis using the selected tools and the collected background information in order to construct a series of different climate change mitigation scenarios, evaluate their consistency with the general development goals of Uzbekistan and prepare a draft proposal to implement the most promising mitigation measures.
- 15f) A workshop, with wide local participation and relevant international partners, will be organized to present the results of the project, together with results or status of other ongoing national projects relevant to the issue and to discuss the results with the objective of formulating a national greenhouse gas mitigation strategy.
- 15g) Using the outputs of this project as well as results of other ongoing projects, prepare the first communication of Uzbekistan to the Conference of the Parties.

RATIONALE FOR GEF SUPPORT

16. The project is consistent with the enabling activity and capacity building objectives listed in INC Document (A/AC.237/90/Add.3), prepared jointly by the interim secretariat of the UNFCCC and the GEF Secretariat in order to facilitate coordinated and timely assistance to countries for the implementation of the Convention. This project responds to such objectives by implementing an activity needed to enable Uzbekistan to fulfil its commitments to implement the Convention. This activity is unlikely to be carried out without GEF funding.

17. Given the high priority which the first COP in April 1995 gave to the projects of enabling activities, and with respect to the present situation of Uzbekistan being in the middle of a economic transition, the timing of this kind of project, which builds capacity to assess the effects of different options also from the viewpoint of greenhouse gas emissions, is an ideal one. The

results of the project can be used directly in the planning and policy formulation process currently underway in Uzbekistan as well as to provide information and "tools" for the international donor and loan organizations assisting Uzbekistan in its efforts.

SUSTAINABILITY AND PARTICIPATION

18. **The Government of Uzbekistan fully supports the objectives of this project and gives a very high priority to it for the reasons already mentioned in the chapter "Background and Project Context". The Government has also endorsed that project outputs will be used for national communications in compliance with the UN Framework Convention on Climate Change. In financial terms, the Government is contributing "in kind" covering the office costs and project support staff.**

19. **After the project has ended and the first communication for the Conference of the Parties has been finalized, the Government will take responsibility to regularly update the inventory and prepare further communications to the COP, in accordance with agreements reached by COP.**

20. **To ensure wide participation, training of people and coordination of ongoing projects related to climate change, a national Steering Committee will be established with representatives from the State Committee on Agriculture, State Committee on Energy, State Committee on Forecasting and Statistics, State Committee on the Protection of Nature, and State Hydrometeorological Department, together with representatives from UNDP, Academy of Sciences and other relevant governmental or non-governmental organizations, research institutes, international experts working in the country (e.g., under EU TACIS) or corporations. It is expected that after successful implementation of the project, the Project Steering Committee will continue to deal with UNFCCC related matters on a permanent basis. Also, as already mentioned under Activity 2, specific attention will be paid to dissemination of and public access to the available information, as well as to capacity building in the project relevant sectors in order to target the actual mitigation of greenhouse gas emissions at a later stage.**

LESSONS LEARNED AND RESPONSE TO THE TECHNICAL REVIEW

21. **In the course of technical reviews of enabling projects, the importance of cooperation and networking of a broad range of experts has been noted and duly reflected in the present proposal. The project recognizes the importance of exchange of information and experience at the national level, as well as regionally and internationally. At the national level the project will create links, e.g., to the UNDP project "Aral Sea Basin Capacity Development"; and at the regional level, e.g., to the US Country Study Project implemented in Kazakhstan. Lessons learnt from these projects will be used both during the further preparation of the project as well as during its actual implementation.**

22. **A number of comments and suggestions made by the Technical Reviewer have been incorporated into the present document. Regarding the project budget, some of the changes were made, some were not. For instance, under component 5 (mitigation analysis) it is expected that**

the need to use international consultants to train people for a mitigation analysis, assist in the evaluation of different mitigation options is higher than US \$ 15,000 (approximately one person/month) proposed by the Technical Reviewer. However, the cost for this sub-item was reduced from US \$ 50,000 to US \$ 30,000.

23. Under the inventory component the personnel costs were maintained at US \$ 24,000, because some initial work related to inventory has already been done in Uzbekistan.

PROJECT FINANCING, BUDGET AND INCREMENTAL COSTS

24. As an enabling activity, this project would not take place without the UNFCCC. Therefore, the full costs of the project equal the incremental costs of the project. With the exception of the "in-kind" contribution of the Government of Uzbekistan, GEF is being requested to fund the full amount of the project. The detailed project budget reflecting the different sub-tasks is presented below:

Activity 1 Identify a local Project Manager, establish a National Steering Committee and prepare a detailed work plan

a) Project Manager (US \$ 500 p/m)	US \$ 12,000
b) International Consultants	US \$ 10,000
c) Equipment	US \$ 5,000
d) Travel	US \$ 10,000
e) Other operational expenses (mail, photocopies etc.)	US \$ 3,000

Subtotal: US \$ 40,000

Activity 2 Identify and create links to both national and international sources of information and gain information on issues and options related to climate change and mitigation of greenhouse gas emissions

a) Local Experts	US \$ 24,000
b) International Consultants	US \$ 0,000
c) Travel	US \$ 10,000
d) Equipment (computers etc.)	US \$ 10,000
e) Operational costs (Internet connections, publications etc.)	US \$ 10,000

Subtotal: US \$ 54,000

Activity 3 Study the impacts of climate change especially on agriculture and water resources, and develop recommendations on adaptation to it with respect to the specific geographical and climatological characteristics of Uzbekistan.

a) Local Experts	US \$ 24,000
b) International Consultants	US \$ 15,000
c) Travel	US \$ 10,000
d) Equipment	US \$ 5,000
e) Operational costs	US \$ 2,000
Subtotal:	US \$ 56,000

Activity 4 Complete the initial national inventory of greenhouse gases in 1990 based on the IPCC methodology and build in country capacity to undertake these inventories on a continuous basis.

a) Local Experts	US \$ 24,000
b) International Consultants	US \$ 15,000
c) Travel	US \$ 5,000
d) Equipment	US \$ 5,000
e) Operational costs	US \$ 2,000
Subtotal:	US \$ 51,000

Activity 5 Build capacity and undertake studies to provide relevant information for formulation of a national greenhouse gas mitigation strategy

a) Local Experts	US \$ 24,000
b) International Consultants	US \$ 30,000
c) Travel	US \$ 10,000
d) Equipment	US \$ 5,000
e) Operational costs	US \$ 6,000
Subtotal:	US \$ 75,000

Activity 6 Organize a workshop to present the results and discuss about them with the objective of formulating a national strategy on the reduction of greenhouse gas

US \$ 20,000

Activity 7 Prepare the first Communication of Uzbekistan to the COP

- a) Staff : Project Coordinator/Manager
(costs appear under activity 1)
- b) Operational and Reporting Costs, Materials etc. US \$ 5,000
- c) Monitoring and Evaluation US \$ 15,000

ISSUES, ACTIONS AND RISKS

25. The ultimate criteria of success will be how the results of the project will be incorporated in the broader development and reconstruction work currently under way in Uzbekistan. The project tries to address this by establishing an institutional framework for cooperation and involvement of all the relevant partners as well as ensuring that other presuppositions for close collaboration exist.

26. Considering the immediate results of the project, a crucial element will be the close collaboration between the different State Committees and Departments, especially between the State Committee on the Protection of Nature and State Hydrometeorological Department but also with other institutions and research institutes at institutional level as well as collaboration of the project personnel at the individual level with each other and with the project support staff paid by the Government. Another issue is the international collaboration, especially when preparing a work plan for and implementing the research oriented activities 3, 4 and 5. During this process, common methodologies will be used and among others IPCC and UNEP will be consulted to ensure that the methods and details of the subjects are also relevant from the global point of view. The project will also use the results of ongoing or finalized projects like UNEP Country Case Studies on Climate Change Impacts and Adaptation Assessments, UNDP/GEF ALGAS (Asian Least-Cost Greenhouse Gas Abatement Strategies), CC:TRAIN and US Country Study Programme (especially of the project implemented in Kazakhstan) to avoid duplication of effort and ensure the effective implementation of the project.

INSTITUTIONAL FRAMEWORK AND PROJECT IMPLEMENTATION

27. The project will be executed by the Government of Uzbekistan and the Implementing Agency will be UNDP. The Project Steering Committee will be charged with overseeing, coordinating and advising project execution and will have decision making power over all aspects of the project. The project will also collaborate closely with all the other relevant ongoing projects in Uzbekistan, both through the Project Steering Committee and between the research teams in order to enable an effective information change between the projects and full utilization of their results in the formulation of a national greenhouse gas mitigation strategy.

28. Under the different sub-tasks study tours will be undertaken and working links with international partners will be established in order to ensure effective change of information and appropriate implementation of the project.

29. With these arrangements the project seeks to establish close links with other climate change related activities being carried out by other GEF implementing agencies or by other multilateral and bilateral organizations. It will do so practically as figured above and also by participating in the informal consultative mechanism, CC:FORUM, being set up by the UNFCCC secretariat, to ensure that results and outputs of this project will be shared among all actors involved in climate change activities in order to enable such actors to mutually benefit from one another's activities for the present and for the future.

MONITORING AND EVALUATION

30. After the detailed work plan has been prepared, an external review on it will be undertaken. The purpose of the review is to identify in the very early stage of the project the eventual gaps, overlaps and other risks of successful implementation, as well as to identify potential partners and sources of information of which the project could benefit.

31. The Project Steering Committee will be responsible for monitoring the project on a continuous basis. In order to do this the Project Manager, with the help of the leaders of the research teams, will prepare regular reports on the progress of the project as whole and the different sub-tasks under it. In addition to this, an external midterm evaluation will be conducted about 12 months after the start of the project. The purpose of the evaluation is to review the overall success of the project and suggest modifications to the implementation of the project for the remaining part. It is vital that the recommendations from the evaluation are disseminated immediately, so that appropriate action can be undertaken without delay. A joint meeting of the evaluators, together with the Project Steering Committee has been designed for this purpose.

32. For the remaining part, the project will rely on the common UNDP monitoring and evaluation practises.

CAPACITY TABLE FOR CLIMATE CHANGE ENABLING ACTIVITIES IN UZBEKISTAN

Enabling Activity	Planning	Instit Strength	Training	Research	Education
Background Information for National Communication					
Emission inventory					
- CO2 from energy sources	X	X	X	X	X
- CO2 from land use changes	X	X	X	X	X
- CH4	X	X	X	X	X
- N2O	X	X	X	X	X
- other sources and gases	X	X	X	X	X
Mitigation Options					
Energy related					
- industry	X	X	X	X	X
- transport	X	X	X	X	X
- residential	X	X	X	X	X
- energy supply	X	X	X	X	X
- other	X	X	X	X	X
Non-Energy Sources					
- agriculture	X	X	X	X	X
- forestry	X	X	X	X	X
- waste management	X	X	X	X	X
- other	X	X	X	X	X
- sink enhancement	X	X	X	X	X
Vulnerability Assessment					
- agricultural sector	X	X	X	X	X
- forestry					
- coastal zone	NA	NA	NA	NA	NA
- water resources	X	X	X	X	X
- health impacts					
- natural ecosystems					
- other impacts					
adaptation options (stage 1)	X	X	X	X	X
National Plans					
- national plan (mitigation)	X	X	X	X	X
- national plan (adaptation)	X	X	X	X	X
- other elements?	X	X	X	X	X
Formulation of National Communication					
- inventory	X	X	X	X	X
- mitigation options	X	X	X	X	X
- vulnerability and adapt.	X	X	X	X	X
- information on research and observation	X	X	X	X	X
- information on education	X	X	X	X	X
- other relevant information	X	X	X	X	X

Key to Table

- X = Areas to be covered by the proposed project
- *** = Areas already covered by other projects or programs; Following acronyms are used:
 - ADB = Asian Development Bank
 - ALG = ALGAS Project
 - CCT = CC:TRAIN
 - GEF = Other Regional or Country Specific GEF "Enabling" Project
 - GTZ = German Agency for Technical Cooperation
 - OEC = OECD/IPCC Programme
 - UNE = UNEP-GEF Country Case Studies
 - UNR = UNEP-RISO Greenhouse Gas Abatement Costing Studies
- US = U.S. Country Studies Program
- "X(***)" = Some preliminary activities have already been undertaken, but completing activities presented in the proposed project are needed to finalize the task
- 0 = Remaining ability gaps for which additional funding from GEF or other sources might still be requested
- "0(***)" = Some preliminary activities have already been undertaken, but completing activities not undertaken by the proposed project might be needed to finalize the task
- NA = Non-applicable or nonsensical entry (e.g coastal vulnerability assessment for land-locked country)

ANNEX 1

Description	m/ m	Activity 1	Activity 2	Activity 3	Activity 4	Activity 5	Activity 6	Activity 7,	TOTAL
11.00 International experts		10,000		15,000	15,000	30,000		15,000 ¹	85,000
15.00 Travel		10,000	10,000	10,000	5,000	10,000			45,000
17.00 Nationally Recruited	9/24	12,000	24,000	24,000	24,000	24,000			108,000
19.00 Personnel Component Total		32,000	34,000	49,000	44,000	64,000		15,000	238,000
34.00 Workshops							20,000		20,000
40.00 Equipment		5,000	10,000	5,000	5,000	5,000			30,000
50.00 Miscellaneous		3,000	10,000	2,000	2,000	6,000		5,000	28,000
59.00 Component Total		40,000	54,000	56,000	51,000	75,000	20,000	20,000	316,000
Support Costs									9,500
99.00 GRAND TOTAL		40,000	54,000	56,000	51,000	75,000	20,000	20,000	325,500

¹Monitoring & Evaluation

Uzbekistan Country Study on Climate Change

1. Relevance to GEF and priority

Enabling activities are central to GEF's mandate to build capacity of eligible countries and help them to fulfil their commitments under Article 12 of the UNFCCC. In the case of Uzbekistan and other Central Asian Republics, recently independent from the Former Soviet Union, building capacity to define sustainable development pathways, including climate change issues, is doubly important. Uzbekistan was relatively early in ratifying the FCCC (June 1993) and at least an initial inventory of greenhouse gas emissions has been carried out (P.3 of brief, data not filled in). This demonstrates a predisposition of the Government of Uzbekistan to take climate change issues seriously.

2. Objectives

The description of Objectives (p.3-4) does not accurately reflect the activities listed in the Project Description (P.4-6). Specifically two major components of the project (impact assessment and adaptation strategies are mentioned (P.3 bottom) as annexes to the communication of the 1990 greenhouse gas inventory to the Conference of the Parties. These are separate activities and should be described briefly in a separate para, along the lines of the para on GHG mitigation strategy (top of P.4).

The Objectives should note the capacity building aspects of all four: preparing the inventory of GHG, developing a mitigation strategy, assessing the impact of climate change and proposing adaptation options.

P.4 line 3 should include "enhancing sinks" as well as "reducing GHG emissions" among mitigation options.

An alternative arrangement would be:

- Objective 1
- Activities 1.1, 1.2, etc.
- Objective 2
- Activities 2.1, 2.2, ...
- etc.

3. The approach

The PROJECT DESCRIPTION (P.4-6) is clearly set forth. Some minor observations follow.

Activity 1. The project Steering Committee is likely to be a group of professionals from various government departments as well as other organisations who would meet periodically to "steer" the project. The Committee cannot be "one essential information link" between the project and elsewhere. Surely it will help establish links but information exchange should continue more

directly between the project Coordinator/Manager, the Local Experts (especially Activity 2), and the outside world.

Activity 2 is well formulated, recognising the potential of learning from experience in other countries. The US Country Study in Kazakhstan (mentioned at the bottom of P.7) might be particularly relevant and should be mentioned here.

Activity 2 might be formalised to include the creation of a Documentation Center to facilitate information dissemination to the public, as a repository for other project activities, as well as for the future, when the tasks are expected to be conducted on a continuing basis.

Activity 3 should mention links to the UNDP Aral Sea Project, here or (better) in the Background section (top of P.3).

Activity 4 includes, as it should, the need to "undertake specific studies to fill the data gaps". We will refer to this later, with respect to the Budget.

Activity 5 is very well formulated. No comments.

Activities 6 and 7 are also clear.

4. The Background Information section is excellent! It provides a quantitative summary of the energy sector and a clear description of environmental problems facing Uzbekistan.

5. The Budget

The equipment budget of \$10,000 for Activity 2 is reasonable, since it would include computers, peripherals, photocopy machine, etc. to support an information center. However, an equipment budget of \$10,000 for each of the Activities 2, 3, 4 and 5 appears to be too high.

Activity 1 should include a budget item for convening the steering committee, even if their participation is *ad honorem*. Moreover Activity 1 operational expenses (mail, photocopies, etc.) are likely to be considerably higher than the \$2,000 shown, especially over a two-year period. Perhaps a total of \$50,000 for 1(e) should be adequate.

Activity 2 Budget appears to be reasonable.

Activity 3. The equipment cost should be lower, perhaps \$5,000.

Activity 4 relates to the preparation of a GHG inventory. If there are data gaps (as is likely) additional studies will be needed, increasing project costs. Also allowance should be made to set up an infrastructure for this to be an ongoing activity beyond the project period. Perhaps a budget of \$36,000 for local experts, \$10,000 for travel, and \$4,000 for operational costs would be more reasonable, for an Activity total of \$75,000.

Activity 5. A large budget item has been listed for international consultants. There is a considerably body of literature in the area, including materials prepared by IPCC, CC-TRAIN, ALGAS, the US Country Studies Program, etc. Also Internet and WWW should improve access

to this body of knowledge and reduce costs. A level of \$15,000 might be more suitable for international consultants.

Activity 5.1 calls for organising a workshop whose expenses are not included here. An increased level of \$10,000 for operational costs should be adequate. The Activity Subtotal would then be \$81,000. (Incidentally the current listed subtotal of \$88,000 is not the sum of the components.)

Thus, in my opinion, a revised budget should be as follows:

Activity	1	47,000
	2	54,000
	3	68,000
	4	75,000
	5	81,000
	6	20,000
	7	15,000
<hr/>		
Project cost		360,000

This project cost total is close to what is shown in the project brief. In both cases, the in-kind contribution (support staff, office space, etc) of the Uzbekistan government is not included. It might be worthwhile to include this, in part since it is likely to be substantial.

Thus, in my opinion, the funding level is adequate, though not well distributed.

6. Innovation

There is no specific innovation expected from an enabling activity of this kind.

7. Strengths and Weaknesses

There are no significant weaknesses. The brief does not adequately describe the institutional arrangements for undertaking the project. The Terms of Reference (for reviewers) of the Regional Directorate, however, states that "the project brief will not necessarily be specific in outlining institutional arrangements", for reasons given. Thus, this incompleteness is not a weakness of a well drafted brief to a project deserving support.