

GEF

Global Environment Facility

MOHAMED T. EL-ASHRY  
CHIEF EXECUTIVE OFFICER  
AND CHAIRMAN

October 22, 1999

Dear Focal Point:

In May, 1999, the GEF Council approved additional funding for enabling activity projects approved under the expedited procedures to assist countries in addressing priority capacity building needs in the climate change and biological diversity focal areas, in accordance with decisions of the Conference of the Parties of the two Conventions.

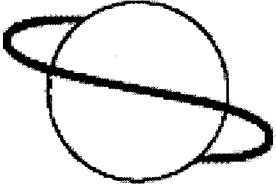
I am writing to notify you that we have posted on our website ([www.gefweb.org](http://www.gefweb.org)) *Operational Guidelines for Expedited Financing of Climate Change Enabling Activities, Part II, Expedited Financing for (Interim) Measures for Capacity Building in Priority Areas* for accessing this additional funding for climate change enabling activities. The guidelines have been developed in consultation with the three Implementing Agencies of the GEF and the Secretariat of the United Nations Framework Convention on Climate Change.

These guidelines should be read as an addition to GEF's *Operational Guidelines for Expedited Financing of Initial Communications From Non-Annex I Parties* issued in February, 1997. For ready access to the earlier document, please visit our website or you may request the UNDP, UNEP or World Bank office in your country to download a copy for you from the Internet. Alternatively, you may request a copy of the document from the Secretariat.

As the guidelines indicate, a comprehensive action plan to address the medium to long-term capacity building needs of developing countries is to be formulated over the next 18 months, through the GEF's *Capacity Development Initiative*. Therefore, this additional funding should be viewed as an interim measure to address initial tasks of immediate priority, and its utilization planned accordingly.

Sincerely,

Cc : Council Members/Alternates  
Executive Coordinators of the Implementing Agencies  
STAP Chairman



# Global Environment Facility

October 1999

---

## OPERATIONAL GUIDELINES FOR EXPEDITED FINANCING OF CLIMATE CHANGE ENABLING ACTIVITIES

### PART II

#### EXPEDITED FINANCING FOR (INTERIM) MEASURES FOR CAPACITY BUILDING IN PRIORITY AREAS

## EXPEDITED FINANCING FOR (INTERIM) MEASURES FOR CAPACITY BUILDING IN PRIORITY AREAS

1. In order to comprehensively respond to the capacity building needs of non-Annex I Parties to the UNFCCC, beyond the initial priority of first national communications, the GEF Council has decided that a medium to long term action plan should be developed. In May, 1999, it approved a 'Capacity Building Initiative' aimed at developing such an action plan. The Initiative would be a participative process to make an assessment of capacity building needs and ongoing assistance efforts by the GEF and other multilateral/ bilateral development agencies. Based on this assessment, the Initiative is expected to produce a medium/ long term action plan ready for implementation by mid-2001.

2. The GEF Council has agreed that some of the immediate capacity building priorities of Non-Annex I countries, identified in COP decision 2/ CP.4,<sup>1</sup> may initially be met through additional funding under the expedited procedures for enabling activities. In order to utilize this initial, expedited opportunity, a country eligible for GEF assistance may select its preferences from the activities listed below, and the additional funding may be flexibly allocated for such selected activities. Countries wishing to undertake activities on a wider scale that may result in the ceiling for expedited procedures being exceeded would continue to have the option of applying for full GEF projects.<sup>2</sup>

### **Identification/ submission of technology needs, and capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects**<sup>3</sup>

3. Paragraph 1 (b) of decision 2/ CP.4 asks the GEF to enable Parties to “...*identify and submit to the Conference of the Parties their prioritized technology needs, specially as concerns key technologies needed in particular sectors of their national economies conducive to addressing climate change and minimizing its adverse effects.*” The identification of (financial and) technological needs was an element for inclusion in first national communications by non-Annex I parties under 'General Description of Steps.' It is understood that further work, with a broadened scope, would draw and build upon this initial effort. It is also expected that “particular sectors of national economies” which the COP decision refers to would have been identified by non-Annex I parties in their first national communications.

4. Subparagraphs (i), (ii) and (iii) of paragraph 1 (g) of 2/ CP.4 call for capacity building to assess technology needs, modalities to acquire and absorb them and to design, evaluate and host projects for the purpose. Some of this activity may overlap with activities in pursuance of paragraph 3 above, while others may depend on further developments in the Convention. Information contained in the first national

---

<sup>1</sup> Reproduced as Annex G to these guidelines

<sup>2</sup> Please see paragraph 11 below.

<sup>3</sup> Paragraph 1 (g), subparagraphs (i), (ii) and (iii) of 2/ CP.4

communication should provide valuable inputs to the determination of country priorities for technology needs and identification of projects within the meaning of these three sub-paragraphs of paragraph 1 (g) of decision 2/ CP.4.

#### **Capacity building for participation in systematic observation networks<sup>4</sup>**

5. The GEF is in the process of designing global/ regional projects that may meet this need most cost-effectively, given the differing levels of capacities that exist in non-Annex I countries with regard to participation in systematic observation networks. In technically justifiable circumstances, countries may wish to undertake capacity building for this purpose at a national level using the interim funding opportunity. To be eligible for funding, activities of this nature should taken into account earlier GEF support for similar work, and also the objectives and methodologies of the global/ regional projects (once they are in place) that cover other countries.

#### **Studies leading to the preparation of national programs to address climate change : improvement of emission factors<sup>5</sup>**

6. In terms of COP guidance, the main activity under this item is improvement of the quality of local emission factors, in accordance with paragraph 13 of the annex to decision 10/ CP.2,<sup>6</sup> as an important step in the preparation of national programs to address climate change. In consultation with non-Annex I parties<sup>7</sup> and other technical experts, the GEF is designing a global/ regional program for the improvement of the quality of local emission factors since such a program may be cost-effective and quicker than repetitive, individual country-level efforts. In technically justifiable and appropriate circumstances, however, a country may wish to use the interim funding available for qualitative improvement of local emission factors. Once global/ regional projects are in place to cover the needs of other countries, such national level projects should conform with the objectives and methodologies of those projects.

#### **Maintenance and enhancement of national capacities to prepare national communications<sup>8</sup>**

7. It is expected that the recipient country will use the same institutional structure and personnel that were involved in coordinating preparation of the first national communication, to implement activities mentioned in paragraphs 3,4, 5 and 6 above. This will be the surest means of maintaining and enhancing its capacity to prepare national communications. In order to ensure continuity with the earlier enabling activity, it will also be important to time the request for additional funding, under expedited procedures, so as to minimize the gap between the two stages.

---

<sup>4</sup> Paragraph 1 (c) of 2/ CP.4

<sup>5</sup> Paragraph 1 (e) of decision 2/ CP.4

<sup>6</sup> Please see Annex A of Part 1 of these guidelines.

<sup>7</sup> These consultations are being organized by the FCCC Secretariat in pursuance of decision 10/ CP.2

<sup>8</sup> Paragraph 1 (d),ibid.

**Developing/ strengthening/ improving national activities for public awareness and education, and access to information, including information from international centers and networks<sup>9</sup>**

8. The starting point for public awareness activities should lie in the 'General Description of Steps' contained in the first national communication, which should normally include the identification of existing national programs in this regard. Additional activities to be undertaken through interim funding should integrate public awareness activities into the project design for the additional (interim) funding being sought under these guidelines. The promotion of public awareness and stakeholder participation is a standard requirement in GEF projects, and opportunities for improving public awareness exist in substantive projects under GEF's Operational Programs. Access to information from international centers and networks, and the dissemination thereof, should similarly be placed in the context of substantive activities undertaken for capacity building with regard to technology needs assessment/ transfer and other activities listed in paragraph 1(g) of 2/ CP.4.

**REVIEW OF PROPOSALS / ACTIVITY MATRIX**

9. The review of proposals for additional interim funding of priority activities will use the same general criteria of good practices contained in paragraphs 24 to 26 of Part I of these Operational Guidelines, i.e.

- country-drivenness, endorsed by the Operational Focal Point of the recipient country
- use of established guidelines/ norms adopted for global/ regional projects, (e.g. for countries requesting individual projects for participation in systematic observation networks or the development of emission factors for GHG)
- building upon existing activities and knowledge, appropriate sequencing, specially in the context of first national communications, the contents of which will determine much of the additional priority activity
- efficient use of resources as a determinant in cost ranges for individual activities (see paragraph 31 of Part I)
- use of local and regional expertise.

10. The Activity Matrix would be prepared in the format contained in Table C 2. In assisting a country to prepare this matrix, the Implementing Agencies will draw special attention to the priorities expressed in that country's first national communication along with other information contained in it, and the need to reflect in the matrix all relevant work done under the previous enabling activity project.

---

<sup>9</sup> Paragraph 1(f) (paragraph 1 (g), sub-paragraph (iv), *ibid.*

## **TYPICAL COST RANGES FOR ADDITIONAL FUNDING**

11. In view of the differing priorities of countries and their differing situations and needs, the cost ranges for individual activities to be undertaken through additional interim funding are difficult to standardize. The budget for each activity would, therefore, result from a discussion between the recipient country and the Implementing Agency concerned, subject to a normal limit of \$ 100,000 per country if expedited procedures for approval are to be invoked. In exceptional cases, where there is sufficient justification for higher costs, this ceiling may be exceeded to the extent that the total expedited assistance to the country (including the first national communication) does not exceed \$450,000. Proposals which result in this amount being exceeded will need to follow the route of full GEF projects.

12. The budget would be prepared in Table D 2. It would be accompanied by a brief note from the concerned IA on how prioritization has been agreed with the recipient country, and how national level capacity will be maintained and enhanced in terms of paragraph 7 above.

## **SUBMISSION OF PROPOSALS AND APPROVAL PROCEDURES**

13. The standard format for the submission of proposals would remain the same (Annex E of Part 1 of these guidelines) as for the initial enabling activity. As far as possible, the executive summary submitted by the country as a part of its first national communication will be appended to the proposal.

14. The procedure for approval of proposals that are consistent with these guidelines will be as described in Annex B of Part 1 of these guidelines.

Table C 2 Priority activities for additional (interim) funding

Activity	Planning and execution	Capacity maintenance/ enhancement		
		Data gathering and Research	Institutional strengthening	Training, education and public awareness
<p>1.(a) Identification and submission of technology needs</p> <p>(b) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects</p>				
<p>2. Capacity building for participation in systematic observation networks</p>				
<p>3. Preparation of programs to address climate change</p>				

Table D 2 Cost estimates for (interim) priority activities

Activity	Planning and execution	Capacity maintenance/ enhancement			Technical & Admn. Support	Cost estimates	
		Data gathering and research	Institutional strengthening	Training and education			
1.(a) Identification and submission of technology needs  (b) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects						Based on country priorities and needs	
2. Capacity building for participation in systematic observation networks							
3. Preparation of programs to address climate change							
4. Project management							up to \$10,000
5. M & E							Up to \$2,500
<b>Total</b>	~ 45-55%	~ 20 – 25%	~ 25-35%	~ <10%	Up to \$100,000		