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Capacity-building under the Kyoto Protocol

Analysis of progress made in, and the effectiveness of, the implementation of the framework for capacity-building in developing countries in support of the second comprehensive review of the capacity-building framework

Note by the secretariat*

Summary

This note contains analyses of capacity-building activities in developing countries, based on information provided by Parties in their submissions, documents produced by the secretariat, various assessment reports, and reports by the Global Environment Facility and by bilateral and multilateral agencies. It also outlines lessons learned in implementing capacity-building activities and programmes, and key findings that Parties may wish to consider in relation to the second comprehensive review of the implementation of the framework for capacity-building in developing countries.

* This document has been submitted after the due date owing to the need for extensive consultations.

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I. Mandate and scope of the work

1. Decision 2/CP.7 of the Marrakesh Accords is directed at building the capacities of Parties not included in Annex I to the Convention (non-Annex I Parties). Following this decision, the Conference of the Parties (COP), in its decision 2/CP.10, decided to initiate a second comprehensive review of the implementation of the framework for capacity-building in developing countries (hereinafter referred to as the capacity-building framework), covering the period 2004–2009, with a view to completing it at the fifteenth session of the COP.¹ This note by the secretariat on the progress made in, and the effectiveness of, the implementation of the capacity-building framework in support of the second comprehensive review of that framework was prepared for consideration by the Subsidiary Body for Implementation (SBI) at its thirtieth session.

II. Background of the capacity-building framework and its first comprehensive review

2. Box 1 below provides a brief summary of the previous steps taken to implement and review the capacity-building framework pursuant to decision 2/CP.7.

Box 1. Background of the capacity-building framework

November 2001 – decision 2/CP.7 (Marrakesh Accords): Adoption of the framework for capacity-building in developing countries established under decision 2/CP.7 (hereinafter referred to as the capacity-building framework) to support the implementation of the Convention in developing countries. This framework was designed to serve as a guide for the climate change capacity-building activities of the Global Environment Facility (GEF) and other funding bodies. The initial scope of the needs and areas for capacity-building in developing countries was identified in decision 10/CP.5, in the compilation and synthesis document prepared by the secretariat^a and in submissions from Parties and intergovernmental organizations.^b

December 2003 – decision 4/CP.9: The Conference of the Parties (COP) decided that the GEF, as an operating entity of the financial mechanism, should continue to provide financial support to Parties not included in Annex I to the Convention, in accordance with decision 6/CP.7, for the implementation of the capacity-building framework, and should take the capacity-building framework into account in its monitoring work.

December 2003 – decision 9.CP/9: The COP requested the secretariat to prepare a paper, with technical appendices, investigating the range and effectiveness of capacity-building activities in developing countries aimed at implementing decision 2/CP.7. This paper outlined the results and impacts of capacity-building activities, as well as lessons learned, successes and challenges relating to their implementation.^c A short synthesis of the conclusions and recommendations of the paper is contained in annex II to this note.

December 2004 – Decision 2/CP.10: The recommendations that emerged from the first comprehensive review of the capacity-building framework were discussed at the tenth session of the COP; by decision 2/CP.10, the Parties decided that the scope of the capacity-building needs, as contained in the capacity-building framework, was still relevant. The Parties also adopted nine key factors,^d which could assist in the further implementation of decision 2/CP.7.

December 2005 – Decision 29/CMP.1: The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol decided that the capacity-building framework adopted by decision 2/CP.7 was applicable to the implementation of the Kyoto Protocol and identified priority areas to

¹ The terms of reference for the second comprehensive review can be found in document FCCC/SBI/2008/2 and also in annex I to this note.

Box (continued)

enhance the ability of developing countries to participate effectively in project activities under the clean development mechanism.^e

November 2006 – decision 4/CP.12: To regularly monitor the progress of the implementation of the capacity-building framework pursuant to decisions 2/CP.7 and 2/CP.10, the COP determined that the secretariat should produce a synthesis report in accordance with decision 2/CP.7, paragraph 9, drawing upon information contained in national adaptation programmes of action, technology needs assessments and national capacity self-assessments. In response to decisions 2/CP.7 and 4/CP.12, the secretariat has prepared a synthesis report each year on the implementation of the capacity-building framework.

December 2007: At COP 13, the Parties adopted the Bali Action Plan (decision 1/CP.13) and decided to launch a comprehensive process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action. The Parties decided that an Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) would conduct this work, which is to be completed in 2009. In January 2009 the secretariat published a report on ideas and proposals on paragraph 1 of the Bali Action Plan as submitted by Parties under the AWG-LCA process.^f This report identified multiple ideas and needs for capacity-building to enhance action on mitigation, adaptation and technology transfer in developing countries.

^a FCCC/SB/2000/INF.1.

^b FCCC/SB/2000/INF.6, FCCC/SB/2000/INF.7, FCCC/SB/2000/INF.8 and FCCC/SB/2000/INF.9.

^c FCCC/SBI/2004/9.

^d See annex IV for the nine key factors identified in decision 2/CP.10.

^e See annex V for these priority areas.

^f FCCC/AWGLCA/2008/16/Rev.1.

III. Methodology

3. The methodology described in paragraphs 4–9 below was used in the preparation of this note.

4. Key documentation identified in the terms of reference as contained in document FCCC/SBI/2008/2 was screened. On the basis of this screening process, a detailed framework for a systematic analysis of the documentation was developed.

5. Surveys and interviews were conducted to capture the most up-to-date information on capacity-building activities under the Convention. A list of key interviewees and customized survey/interview questionnaires (one questionnaire for Parties not included in Annex I to the Convention (non-Annex I Parties) and another for Parties included in Annex II to the Convention (Annex II Parties) and donors) were developed and the surveys/interviews carried out. Forty-four non-Annex I Parties responded to the questionnaire: nineteen from Africa, fifteen from Latin America and the Caribbean, six from Asia, three from Eastern Europe and one from the Pacific Islands; two Annex II Parties and four multilateral organizations also responded. The results of the surveys and interviews cannot, however, be considered to reflect the general views of the Parties; rather they indicate some of the lessons learned and key challenges identified in the process of implementing the capacity-building framework.

6. An extensive review of documentation, including national information deemed relevant by the secretariat or other stakeholders, was conducted. This documentation included:

- (a) Documents prepared by the secretariat since the first comprehensive review in 2004, relevant submissions from Parties since 2004, various decisions of the COP, including decisions 2/CP.7, 4/CP.9, 2/CP.10 and 4/CP.12, and decisions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, including decisions 29/CMP.1 and 6/CMP.2, all relating to capacity-building in developing countries;

- (b) The most recent national communications from some Annex II and non-Annex I Parties;
- (c) Documentation on current and past capacity-building activities, including national adaptation programmes of action (NAPAs), poverty reduction strategies and national capacity self-assessments (NCSAs), completed after the preparation of the synthesis reports contained in FCCC/SBI/2007/25 and FCCC/SBI/2008/11;
- (d) Relevant international literature, reports and databases of the Global Environment Facility (GEF) and its implementing and executing agencies, bilateral and multilateral agencies, intergovernmental organizations, non-governmental organizations (NGOs) and research centres;
- (e) The technical paper on the range and effectiveness of capacity-building in developing countries relating to decision 2/CP.7² and the technical paper on approaches to monitoring and evaluation of capacity-building at different levels;³
- (f) The note by the Chair on ideas and proposals on paragraph 1 of the Bali Action Plan.⁴

7. A complete bibliography of the documentation reviewed can be found in annex XVII.

8. To simplify the analysis, and to ensure comparability with the first comprehensive review, in this note capacity-building will be discussed at the three levels of intervention: systemic, institutional and individual (as in the first review in 2004). The analysis of the documentation showed that these categories remain relevant and are in current use by the GEF, the United Nations Institute for Training and Research (UNITAR), the United Nations Development Programme (UNDP) and the Intergovernmental Panel on Climate Change (IPCC) as a basis for discussing capacity-building issues. Furthermore, the submissions from Parties indicated that support for capacity-building activities is provided at these three levels of intervention.⁵

9. The systemic level is concerned with the creation of enabling environments, that is, the overall policy – economic and regulatory – and the accountability frameworks within which institutions and individuals operate. The development of relationships and processes between institutions, both formal and informal, is also a form of capacity-building at this level. At the institutional level, capacity-building is concerned with the development of relevant institutions and organizations, including their missions, mandates, cultures, structures, competencies, processes, human and financial resources, information resources and infrastructures. Finally, capacity-building at the individual level is the development of personal skills and expertise, the establishment of personal networks and the improvement in accountability and motivation of the national agents working on climate change issues.⁶

IV. Climate change capacity-building needs and gaps

A. Summary of capacity-building needs and gaps

10. A table summarizing the current needs and priorities of developing countries and comparing them with the needs and priorities identified in the first comprehensive review is presented in annex VI. These needs and priorities were identified in:

- (a) The synthesis reports on the implementation of the capacity-building framework referred to in paragraph 6 (c) above;

² FCCC/TP/2004/1.

³ FCCC/TP/2008/5.

⁴ FCCC/AWGLCA/2008/16/Rev.1.

⁵ FCCC/SBI/2008/11, paragraph 14.

⁶ FCCC/SBI/2004/9.

- (b) National communications, NAPAs and NCSAs completed after 2007;
- (c) Submissions from Parties;
- (d) The interviews and surveys conducted for the preparation of this note.

11. In 2004 the review of the range and effectiveness of capacity-building in developing countries relating to decision 2/CP.7 outlined that the scope of the needs identified in the capacity-building framework was still pertinent and in line with the needs expressed by the Parties through different assessments.⁷

12. Since 2002, and in response to the results of the Capacity Development Initiative (CDI) of the GEF, the GEF Council approved the Strategic Approach to Enhance Capacity-building, of which the NCSA process is one of the four pathways, and supported the implementation of NCSAs through UNDP and the United Nations Environment Programme (UNEP). NCSAs were intended, inter alia, to guide subsequent capacity-building initiatives through regular projects of the GEF.⁸ Results from completed NCSAs received since 2004 confirm that capacity-building needs with regard to implementing the Convention are cross-cutting, diverse and country-specific. In addition, the NCSAs provide a valuable means for developing countries to identify their capacity-building needs and priorities, providing a basis for further targeted support for their capacity-building in order to improve their ability to implement the Convention.

13. NAPAs are a source of information documenting the needs of the least developed countries (LDCs) in the area of climate change and, more specifically, in the area of adaptation to climate change impacts. Submitted NAPAs confirm the capacity-building needs of LDCs to adapt to the adverse impacts of climate change identified in the capacity-building framework. Some of the most common needs identified through these NAPAs were:

- (a) The capacity to evaluate the economic costs of adaptation measures and to integrate these measures into sectoral, subnational and national development plans and programmes;
- (b) Support for institutions to coordinate the planning and implementation of adaptation measures;
- (c) The capacity to develop funding proposals for projects and pilot projects;
- (d) The enhancement of institutional, technical and individual skills in vulnerability assessments;
- (e) The enhancement of their capacity for international, regional and national adaptation research and the establishment of technical support centres for specific adaptation measures.

14. In terms of Parties' needs in relation to technology transfer, in response to decision 2/CP.4, the GEF provides financing for technology needs assessments (TNAs) in the context of the national communications. TNAs highlight the priority technological needs identified by the Parties both to mitigate greenhouse gas (GHG) emissions and to adapt to the adverse impacts of climate change by enhancing their resilience.

15. In July 2008 the World Bank published its Strategic Framework on Development and Climate Change for the World Bank Group. In terms of capacity-building in the area of climate change, the

⁷ See annex II for a short synthesis of the 2004 report on the first comprehensive review.

⁸ See chapter V for more information on the NCSA process, its results and the guidance provided.

World Bank identified demand from developing countries for capacity-building in five areas, which are in line with the needs identified under the capacity-building framework. These five areas are:

- (a) Awareness of climate change impacts: understanding how climate change affects development;
- (b) Knowledge-sharing on policies, good practices and cost-effective mitigation and adaptation strategies;
- (c) Knowledge of various financing sources (loans and grants across development institutions, and market mechanisms) and the capacity to make use of them in a cost-effective manner;
- (d) Skills to integrate climate change considerations into policy analysis, sectoral strategies and development programmes at the subnational and local levels;
- (e) Leadership development and support to outside networks.

16. In 2007 and 2008 the secretariat prepared for the SBI the synthesis reports on the implementation of the capacity-building framework.⁹ These synthesis reports were based on information contained in submissions from Parties, and in national communications, NAPAs, TNAs and NCSAs. The reports concluded that the capacity-building framework is being implemented in many developing countries and that capacity-building programmes cover all 15 areas of needs identified in the capacity-building framework. However, significant gaps exist and these should be addressed.

17. In response to paragraph 1 of the Bali Action Plan (decision 1/CP.13), since 2007 the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) has been conducting a process to enable the full, effective and sustained implementation of the Convention through long-term cooperative action. In January 2009 a note by the Chair on ideas and proposals on paragraph 1 of the Bali Action Plan, prepared on the basis of submissions from Parties, was published.¹⁰ In this note, multiple ideas and needs regarding capacity-building to enhance action on mitigation, adaptation and technology transfer were identified. The majority of these needs correspond to those identified under the capacity-building framework. However, some new elements also appear relating, inter alia, to mechanisms recently implemented or under discussion, such as the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD). These new needs include: capacity-building to define and adopt nationally appropriate mitigation actions (NAMAs) and provide technology, financing and capacity-building support to enable developing countries to reduce GHG emissions; capacity-building to monitor and report carbon stocks and implement the UN-REDD policy; and institutional and individual strengthening, and adaptation committees to implement adaptation programmes.

18. In 2005, by its decision 2/CP.11, the COP adopted the five-year programme of work of the Subsidiary Body for Scientific and Technological Advice (SBSTA) on impacts, vulnerability and adaptation to climate change.¹¹ In 2008 the SBSTA produced a summary of the results of the implementation of this work programme, named the Nairobi work programme on impacts, vulnerability and adaptation to climate change, for the period up to the twenty-eighth session of the SBSTA.¹² In this report, the SBSTA identified specific needs and gaps for all nine areas of work outlined in the Nairobi work programme. The identified needs correspond to those listed by the survey respondents in the area of vulnerability and adaptation (V&A) assessment and capacity-building for the implementation of adaptation measures. Specifically, these needs include:

⁹ FCCC/SBI/2007/25 and FCCC/SBI/2008/11.

¹⁰ FCCC/AWGLCA/2008/16/Rev.1.

¹¹ Decision 2/CP.11.

¹² FCCC/SBSTA/2008/12.

- (a) Improved access to sufficient data, proper information and guidance on available methods and tools;
- (b) Support for data collection and recovery of historical data;
- (c) Improved systematic observation and monitoring systems for use in understanding climate change impacts;
- (d) Better integration of disaster risk reduction and adaptation to climate change into national sustainable development policies and plans;
- (e) Availability and accessibility of good-quality socio-economic information;
- (f) The building of adequate human, technical and institutional capacity to diffuse and employ technologies.

19. To support the active participation of developing countries in the process under the Kyoto Protocol, UNDP, UNEP, the World Bank, the African Development Bank (AfDB) and the UNFCCC secretariat initiated the Nairobi Framework,¹³ with the objective of helping developing countries, especially those in sub-Saharan Africa, to improve their level of participation in the clean development mechanism (CDM). The Nairobi Framework is designed to enhance the capacity of developing countries to identify potential CDM project activities and attract the required investment. Most of the current capacity-building needs of developing countries relating to their participation in the process under the Kyoto Protocol are the same as those identified in decision 29/CMP.1:¹⁴

- (a) Strengthening the formulation of mitigation and regulation policies to guide the formulation of CDM projects;
- (b) Establishing and strengthening designated national authorities (DNAs);
- (c) Increasing awareness, training and networking for the development of skills relating to the CDM project cycle;
- (d) Supporting and facilitating communication, cooperation and networking between developing country DNAs and the CDM Executive Board;
- (e) Providing support for broader participation in the CDM;
- (f) Training, CDM market analysis and forums;
- (g) Providing knowledge products and public goods useful to CDM project developers, such as the calculation of national grid emission factors, sectoral scoping studies of CDM opportunities and the development of CDM methodologies. The UNDP-UNEP CDM capacity development project in southern and eastern Africa, for example, has produced a broad range of such materials.

20. Other sources of information about the needs of the developing countries are the poverty reduction strategy papers (PRSPs). In these documents, developing countries set out their priorities and most pressing development needs. As at March 2008 more than 70 completed PRSPs had been circulated to the Executive Board of the International Monetary Fund and the World Bank, as well as around 50 preliminary or interim PRSPs. However, in the context of the PRSPs, countries identified capacity-building needs and priorities within the broader scope of sustainable development and not specifically in terms of climate change. Many of these capacity-building needs and priorities are general systemic, institutional and individual needs to strengthen good governance, institutional performance and human

¹³ <http://cdm.unfccc.int/Nairobi_Framework/index.html>.

¹⁴ See annex V.

capital. Although many of the Parties mention their commitment to participating in the implementation of the Convention, only a minority mention capacity-building in the area of climate change as a pressing need.

B. Analysis and conclusions

21. The capacity-building needs identified by developing countries in their various submissions (national communications, NCSAs, NAPAs, etc.), in literature and through interviews are numerous and wide ranging. The scope of the needs identified in the capacity-building framework is still pertinent and in line with the needs expressed by the countries through the different assessments. On the whole, to date there is no evidence that the countries' capacity-building needs in support of the implementation of the Convention have changed significantly since the previous review in 2004. These needs include: the need for systemic capacity-building, such as support to formulate climate change policies and programmes and mainstream climate change in development planning, national policies and legislative frameworks; the need for institutional capacity-building, such as the establishment, strengthening, training and operation of climate change offices, committees or units; and the need for individual capacity-building, such as trained specialists and experts in many fields and all areas of the capacity-building framework. Frequently updated country-specific profiles of capacity needs based on the NCSAs would provide useful data for monitoring capacity-building at the national level and would facilitate the matching of needs with support.

22. The increasing awareness and evolving context of climate change issues have created additional specific needs, such as the need to ensure effective participation in the UN-REDD mechanisms. New and emerging needs have been identified through the work of the AWG-LCA in the areas of mitigation, adaptation and technology transfer, including:

- (a) Catalysing and maximizing mitigation action to reduce GHG emissions;
- (b) Identifying, developing, implementing and verifying NAMAs;
- (c) Developing adaptation measures and evaluating their costs;
- (d) Integrating adaptation measures into national strategies and policies;
- (e) Developing and transferring environmentally sound technologies.

23. Although many capacity-building activities have focused during the past five years on adaptation measures, the Nairobi work programme and the survey respondents identified several needs and gaps in the area of V&A assessments and adaptation, which still remain to be addressed.

24. With respect to the CDM and the Kyoto Protocol, the countries' needs identified by the respondents were generally the same as those identified in decision 29/CMP.1. These include the establishment and operation of DNAs; institutional support for CDM coordination; and the strengthening of CDM project design skills among individuals from the private sector, institutions, NGOs and the public.

25. The need for more support from the secretariat and the GEF, as identified in the previous review, was occasionally quoted by the respondents in relation to the establishment and strengthening of an effective system of information on capacity-building at the national and international levels.

V. Implementation of support for climate change capacity-building

26. In this chapter, the programmes, projects, initiatives and other climate change capacity-building activities which have taken place over the last five years will be examined. Owing to the number and diversity of the relevant activities, it is not feasible to comprehensively list all the activities under

implementation that contribute to the capacity-building framework. In this chapter, multilateral, bilateral and South–South supported activities are examined.

27. A positive trend in the support for capacity-building is the increasing number of partnerships and collaborative initiatives and programmes. This includes partnerships between United Nations agencies, such as UNDP and UNEP, and between United Nations agencies and Bretton Woods institutions, such as the World Bank, and a multitude of other partners. The challenges of climate change are broad based and solutions must involve a range of stakeholders to have a chance of success. This positive trend is also marked by collaboration on financial modalities such as multi-donor trust funds, of which UN-REDD is an example.¹⁵

A. Multilateral efforts to address decision 2/CP.7 and countries' capacity-building needs and priorities

28. Multilateral organizations involved in climate change capacity-building activities include the GEF as an operating entity of the financial mechanism and various United Nations and Bretton Woods organizations.

1. UNFCCC secretariat

29. The UNFCCC secretariat has contributed to many activities for the implementation of the capacity-building framework, often in partnership with other multilateral organizations or Parties. The secretariat reports regularly on these activities, including in the documents FCCC/SBI/2006/16, FCCC/SBI/2007/25 and FCCC/SBI/2008/11. The secretariat's capacity-building activities are divided into six categories:

- (a) Supporting the special needs of LDCs;
- (b) Supporting adaptation actions;
- (c) Providing education and training and raising public awareness;
- (d) Supporting technology transfer;
- (e) Supporting the preparation of national communications by non-Annex I Parties;
- (f) Supporting participation in the CDM.^{16,17}

2. Global Environment Facility

30. The GEF serves as an operating entity of the financial mechanism of the Convention and is responsible for disbursing funding in a manner consistent with the priorities and needs identified by Parties. Activities contributing to climate change capacity-building at the systemic, institutional and individual levels can be found integrated in mitigation and adaptation projects funded by the GEF Trust Fund, the Least Developed Countries Fund and the Special Climate Change Fund. In 2006 the GEF Evaluation Office began an assessment of the capacity-building activities of the GEF, which indicated that the GEF funds capacity-building through six types of activities:

- (a) Full-sized and medium-sized project capacity-building components;
- (b) NCSAs;

¹⁵ Institutional submission from UNDP on climate change capacity-building activities to support the implementation of the capacity-building framework, 12 March 2009.

¹⁶ Examples of the work carried out by the secretariat in 2008 for each category can be found in annex VII.

¹⁷ FCCC/SBI/2008/11.

- (c) NAPAs;
- (d) Enhancement of the capacity of national focal points;
- (e) Enabling activities for conventions;
- (f) The Small Grants Programme (SGP).¹⁸

31. According to the evaluation, the support of the GEF has been used to implement such capacity-building activities as:¹⁹

- (a) The development of laws, policies and national strategies;
- (b) Training at the regional, national and local levels;
- (c) Learning-by-doing skills development;
- (d) Awareness-raising and education;
- (e) The improvement of monitoring, evaluation and information systems;
- (f) The improvement of coordination and communication between organizations.

32. The CDI of the GEF was launched in 2000 and is the precursor to the current strategic approach of the GEF to capacity-building. In response to the results of the implementation of the CDI, the GEF launched the NCSA programme, the Strategic Approach to Enhance Capacity-building and the NCSA Global Support Programme (GSP).²⁰ Other initiatives of the GEF, such as the National Dialogue Initiative (NDI), Country Support Programme (CSP) and National Communications Support Programme (NCSP), also contribute to capacity-building.

33. In December 2003 the GEF Council approved the Strategic Approach to Enhance Capacity-building. This approach aimed to provide “adequate support for nationally determined and prioritized capacity development needs consistent with the relevant Conventions and the objectives of the GEF in a cost-effective manner, with clearly identified indicators of progress and achievement”.²¹

34. As noted in the first comprehensive review, capacity-building at the national level is built upon NCSAs funded by the GEF with operational support from UNDP and UNEP. NCSAs are intended, among other things, to determine what capacity-building is needed in order to strengthen environmental management with regard to issues covered by the Rio Conventions²² and to prepare a national plan of capacity-building actions.²³

35. Between 2002 and 2006, 152 countries participated in the NCSA programme.²⁴ As at early 2009 the status of NCSA implementation can be divided into two groups:

¹⁸ GEF Evaluation Office. 2006. *Evaluation of GEF Capacity Development Activities: Approach paper*. Available at <http://www.gefweb.org/MonitoringandEvaluation/MEOngoingEvaluations/documents/Ongoing_Evals-Capacity_Development.pdf>.

¹⁹ GEF Evaluation Office. 2007. *Evaluation of GEF Capacity Development Activities: Vietnam Country Case Study. Capacity Development Information Document No. 4*. Stockholm Environment Institute. Available at <http://www.gefweb.org/uploadedFiles/Evaluation_Office/Ongoing_Evaluations/Cap%20Dev%20Info%20Doc%20No4%20Vietnam.pdf>.

²⁰ FCCC/SBI/2006/16.

²¹ GEF. 2003. *Strategic Approach to Enhance Capacity-building*.

²² The United Nations Framework Convention on Climate Change, the Convention on Biological Diversity and the United Nations Convention to Combat Desertification.

²³ <http://nca.undp.org/report_detail.cfm?Projectid=202>.

²⁴ UNDP. 2006. *National Capacity Self-Assessment. Global Progress Report 2006*. Available at <<http://nca.undp.org/docs/199.pdf>>.

- (a) 42 countries (28 per cent) are drafting their concluding reports and plans, for submission in 2009 or early 2010;
- (b) 110 countries (72 per cent) have completed the NCSA process.²⁵

36. An earlier assessment of the NCSA process found that countries experienced synergies between the Rio Conventions, partly owing to improved coordination between the national focal points, which were heavily involved in the NCSA process, including in serving on the project steering committee in most cases.²⁶ An analysis of the synergies and linkages between multilateral environmental agreements identified common capacity needs across regions and across these Conventions. The level of awareness of environmental problems in all groups of society is low, which limits the capacity for discussion, decision-making and action; and there is a lack of synchronization of national policies, and legal and regulatory frameworks, which leads to confusion between sectors and between the national, regional and local levels.

37. The NCSA GSP is jointly implemented by UNDP and UNEP and supports the development of the Strategic Approach of the GEF to Enhance Capacity-building. The main focus has been to document lessons learned and best practices and to provide guidance to the NCSA projects through the development of tools, methodologies, guidelines and targeted assistance.²⁷

38. The objective of the NDI is to support country-level multi-stakeholder dialogues for the setting of national priorities and the coordination of matters relating to the GEF, including those supporting the implementation of the Convention.²⁸ The NDI is meant to contribute to capacity-building at the systemic and country levels.

39. The CSP is intended to strengthen the capacity of the national focal points of the GEF to facilitate the coordination of the activities of the GEF at the national level. The CSP has three components of activities, two of which support the implementation of the Convention: subregional workshops for the focal points of the GEF and the online focal point knowledge facility.²⁹

40. The objective of the NCSP is to improve the implementation of enabling activities by enhancing national ownership of national communications (consultations with stakeholders and stocktaking).³⁰ The NCSP also seeks to develop national capacity for reporting under the Convention by facilitating the implementation of enabling activities, preparing and disseminating technical materials and sustaining capacity-building efforts.³¹ It is important to note that in the absence of the Consultative Group of Experts on National Communications from Parties not included in Annex I to the Convention, the NCSP is currently the only technical support programme available to non-Annex I Parties for the preparation of their national communications under the Convention. While the NCSP is assisting countries through a number of technical support activities, countries' demands for support are expected to increase significantly in the period 2009–2010, as approximately 100 countries are planning to finalize their

²⁵ GEF/C.33/Inf.5, 25 March 2008.

²⁶ Baastel. 2005. *Developing National Capacity to Comply With the Rio Conventions: Experiences and Lessons Learned from UNDP-GEF National Capacity Self-Assessment Projects*. (unpublished report). Draft, 27 March 2005.

²⁷ UNDP/UNEP/GEF. 2005. *Capacity Development for Environmental Management. 2005 Report*. Available at <<http://ncsa.undp.org/docs/203.pdf>>.

²⁸ FCCC/CP/2008/2/Rev.1.

²⁹ As footnote 28 above.

³⁰ UNDP. 2004. *The GEF/UNDP/UNEP National Communications Programme for Climate Change: UNFCCC Workshop on the Preparation of National Communications from non-Annex I Parties*. Presentations in Manila, Philippines, 26–30 April 2004. Available at <http://unfccc.int/meetings/workshops/other_meetings/items/2946.php>.

³¹ As footnote 30 above.

national communications by the end of 2010.³² Furthermore, the NCSP is scheduled to complete its activities in early 2011, at a time when more than 30 countries will still be engaged in the preparation of their national communications.

41. Notwithstanding the number of initiatives, programmes and activities related to capacity-building, this area under the GEF has not been sufficiently focused. Since 2004 its Strategic Approach to Enhance Capacity-building has given this issue more cohesiveness and direction under the GEF, but there is much work still to be done. Discussions are currently under way between the GEF secretariat and its implementing agencies on how to move forward with its capacity-building work in the fifth replenishment of the GEF and beyond. The initial focus has been on developing projects that address key priorities and a number of targeted cross-cutting capacity-building interventions (CB 2 under Pathway III of the Strategic Approach) are being implemented that could provide valuable lessons for the future.

42. The NCSA process has enabled countries to identify and prioritize their national capacity needs, but there is currently limited dedicated support for the implementation of national capacity-building plans. As noted in paragraph 35 above, as at early 2009, 110 countries had completed NCSAs. A total of 24 targeted, cross-cutting capacity-building projects have been approved for funding as medium-sized projects, with funding of less than USD 500,000 per project. These projects focus on a few priority capacity-building needs identified in the respective countries' NCSAs.³³

3. United Nations Development Programme

43. UNDP works on capacity-building issues related to climate change on various fronts. The climate change strategy of UNDP involves six key dimensions, including: building country-level capacity to address climate change by providing a set of integrated support services to assess climate change impacts and realistic response strategies, and develop and implement policies, regulatory/market-based instruments and institutional change; accessing additional resources to finance solutions and make sound investment decisions; complementing policy change and capacity-building efforts at the national level by facilitating action at the provincial, municipal and community levels; and diversifying funding sources to effectively combine and sequence these efforts.³⁴

44. UNDP has partnered other multilateral organizations on numerous capacity-building initiatives, including initiatives previously highlighted such as the NCSP and NCSAs. The support of UNDP for climate change capacity-building covers all priorities within the capacity-building framework except research and needs arising from the implementation of Article 4 of the Convention.³⁵ The UNDP Environment and Energy Group is supporting five programmes on climate change capacity-building, covering approximately 60 projects. Some of these projects include partnerships with UNEP on the CDM capacity development in Africa and Latin America and the Climate Change and Development – Adapting by Reducing Vulnerability programme.

45. An important innovative aspect of the approach taken by these global projects to capacity-building is the support of capacity-building within long-term plans across different economic sectors. For instance, by its global project on Capacity Development for Policy Makers to Address Climate Change, UNDP is working to: strengthen the national capacities of developing countries to assess their climate change policy options across key sectors; enhance understanding of the four pillars of the Bali

³² The last survey conducted by UNDP and UNEP in April 2009 among non-Annex I Parties shows a growing demand for technical support in different areas of the national communications. The schedule for the completion of the national communications is based on the findings of the same survey.

³³ GEF/C.33/Inf.5, 25 March 2008.

³⁴ UNDP Environment and Energy Group. 2008. *Climate Change at UNDP: Scaling Up to Meet the Challenge*. Available at <http://www.undp.org/gef/05/documents/publications/CC_Strategy_WEB.pdf>.

³⁵ Institutional submission from UNDP on climate change capacity development activities to support the implementation of the capacity-building framework, 12 March 2009.

Action Plan (mitigation, adaptation, technology and finance); and undertake an assessment of investment and financial flows in selected key sectors identified by national governments, which can serve as inputs to their national positions under the Convention. A total of 19 developing countries are participating in this USD 7 million project, with additional requests coming from Africa and Latin America.³⁶ The global project has also launched a knowledge platform that could serve as a repository for developing countries to share and disseminate lessons learned and best practice guidelines that emerge from the project.³⁷

46. A new initiative developed during the review period is UN-REDD, a partnership between the Food and Agriculture Organization of the United Nations (FAO), UNDP and UNEP. As noted in chapter IV above, there are emerging capacity-building needs being identified in relation to the UN-REDD initiative at the systemic, institutional and individual levels. It is anticipated that activities supported by UN-REDD will include:

- (a) Regional and subregional training programmes in the use of the *IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* (hereinafter referred to as the IPCC good practice guidance);
- (b) Regional and subregional training programmes in the use of remote sensing to assess changes in forest areas and establish baseline deforestation rates;
- (c) The development of communication and educational products and the transfer of technologies in order to raise awareness and help build professional capacity;
- (d) The development of standardized inputs to support national capacities in the areas of baseline setting, monitoring and reporting, risk analysis and accounting for leakage;
- (e) The development, communication and building of capacity in the application of social, environmental and financial sustainability safeguards;
- (f) Capacity-building in negotiation.³⁸

47. UNDP, in partnership with the United Nations Children's Fund, the United Nations Industrial Development Organization and the United Nations World Food Programme, has launched a USD 92 million programme for climate change adaptation, entitled Supporting Integrated and Comprehensive Approaches to Climate Change Adaptation in Africa, supported by the Government of Japan. This programme will assist 21 countries across the African continent in incorporating climate change risks and opportunities into their national development processes in order to secure development gains in a changing climate. Capacity-building is a key element of the programme: it will help countries to establish an enabling environment and develop the capacity required at the local and national levels to design, finance, implement, monitor and adjust long-term, integrated and cost-effective adaptation policies and plans that are robust, for a wide range of possible changes in climate conditions.

48. Another innovative capacity-building initiative for adaptation focuses on the community level. UNDP, together with the SGP, the United Nations Volunteers programme and other partners at the local level, is implementing a USD 8 million initiative to develop the capacities of communities to manage climate change threats to key ecosystems.

49. In partnership with the World Bank, UNEP, the UNFCCC secretariat and the GEF secretariat, UNDP is taking a leading role in facilitating the adaptation learning mechanism (ALM), a knowledge-

³⁶ <<http://www.undp.org/climatechange/capacity-development.html>>.

³⁷ <<http://www.undpcc.org>>.

³⁸ FAO/UNDP/UNEP. 2008. *UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD)*. Framework Document. Available at <<http://www.undp.org/mdtf/UN-REDD/docs/Annex-A-Framework-Document.pdf>>.

sharing, web-based learning platform. In response to an identified knowledge gap, the ALM aims to capture good practice, tools and guidance by drawing on experiences on the ground. The ALM generates knowledge and provides networks for development practitioners to build the capacity to integrate climate change adaptation into development planning, thus increasing stakeholders' adaptive capacity and resilience.

50. In addition to the 60 projects initiated at its headquarters, UNDP is active at both the regional and national levels in all aspects of climate change capacity-building. In some cases, the climate change component is mainstreamed into projects concerning agriculture, forestry, crisis prevention, etc.; in other cases – such as the CDM capacity-building projects being implemented by the country offices of the UNDP in Burkina Faso and Rwanda – the projects focus explicitly on climate change.

51. In partnership with other United Nations agencies, UNDP is implementing 17 projects at country level in the environment and climate change window of the Spanish Millennium Development Goal Achievement Fund. One of the key outcomes of the fund is the enhancement of national capacities to adapt to climate change, including: integrating climate risk reduction into national development and investment decisions through policy reform; integrating climate risk reduction into United Nations programming frameworks; and piloting or scaling up climate adaptation projects and approaches.

52. UNDP is implementing a global initiative on gender and climate change in collaboration with the International Union for Conservation of Nature and UNEP, focusing on the development of policy, the awareness of decision-makers and mainstreaming climate change and gender into development plans.

4. United Nations Environment Programme

53. The work of UNEP on climate change is guided by its medium-term strategy 2010–2013, a government-approved tool for formulating the programmes of work and budgets. Climate change is one of the six cross-cutting thematic priorities in this strategy around which the organization is focusing its activities. Capacity-building at the systemic, institutional and individual levels is a cross-cutting issue that plays a role in virtually all of the climate change activities in the portfolio of UNEP that deals with adaptation, mitigation, science and outreach.

54. UNEP is currently supporting 39 countries in the preparation of their national communications. Preparing national climate reports builds institutional and systemic capacities to start integrating climate change adaptation and mitigation into development planning frameworks, programmes and budgeting.

55. The UNEP Risoe Centre is implementing joint CDM capacity development projects with UNDP in Africa and Latin America under the aegis of the Nairobi Framework. It is also implementing the Capacity Development for the CDM project with funding from the Government of the Netherlands. “The project aims at (1) generating in participating developing countries a broad understanding of the opportunities offered by the CDM; and (2) developing the necessary institutional and human capabilities that allow them to formulate and implement projects under the CDM.”³⁹

56. UNEP implemented the Carbon Finance for Sustainable Energy in Africa project from 2005 to 2007, in conjunction with the World Bank's Community Development Carbon Fund.⁴⁰ The project was designed to build up the local capacities of the public and private sectors in Mali, Cameroon, Zambia, Ghana and Mozambique to implement CDM projects.⁴¹ Similar programmes are being run in a number of other countries, aimed at helping LDCs to begin to access the carbon markets and build up their experience with new approaches to climate mitigation, for instance in the area of bioenergy. Joint programmes with UNDP are under implementation in Africa and Latin America. UNEP is at present

³⁹ <<http://www.cd4cdm.org/project.htm>>.

⁴⁰ FCCC/SBI/2007/MISC.8.

⁴¹ <<http://www.uneprisoe.org/CFSEA>>.

engaged with institutions in 25 countries, predominantly in Africa, providing institutional support and facilitating project development.

57. In the area of finance, UNEP has a comparative advantage in engaging industry, building capacities, giving strategic advice and giving incentives to change attitudes and help mainstream climate investment, as an important complement to the financial mandate of the multilateral development banks. On an operational basis, UNEP has been working both at the broad industry engagement level, helping the financial community to integrate climate considerations into their operations, and in-country, helping banks and investors at the forefront to launch new climate-focused financial products. Its work on engaging the finance industry in renewables, efficiency and other climate mitigation approaches is done through the Sustainable Energy Finance Initiative, the UNEP Risoe Centre, the UNEP Finance Initiative Climate Change Working Group and the United Nations Principles for Responsible Investment. The in-country work focuses on: building capacities and improving access to seed capital financing and enterprise development support for clean-energy small and medium-sized enterprises; helping domestic banks to set up consumer loan and micro-credit programmes for small-scale energy technologies; and supporting the development and deployment of new risk management tools.

58. UNEP, in partnership with the UNFCCC secretariat, other institutional entities and national governments, organized a series of preparatory workshops for negotiators from developing countries around the world to facilitate and enhance their capacity to negotiate and to ensure that they are properly prepared to effectively and efficiently participate in the discussions on progress achieved at the conferences and meetings of the UNFCCC.⁴²

59. The activities of UNEP to help build national capacity for improving the quality and reach of climate change science include the Assessments of Impacts and Adaptation to Climate Change project, developed with the IPCC and the GEF, which has enhanced scientific understanding and the capacity of developing countries to assess climate change vulnerabilities, adaptation needs and development options and to generate and disseminate relevant information for planning and action. The second phase of the project is under development, sponsored by UNEP.

60. The UN-REDD programme (a collaboration between FAO, UNDP and UNEP) is helping build capacity in developing countries to design and implement measures, strategies and mechanisms to reduce emissions from deforestation and forest degradation (REDD) and is supporting the development of solutions and approaches based on sound science for a REDD instrument under the Convention.⁴³

5. The World Bank

61. As are other organizations, the World Bank is addressing climate change capacity-building through various activities at all levels of the capacity-building framework, a number of them through the relevant portfolio of the GEF.

62. In addition, as reported by the World Bank itself: “The World Bank Carbon Finance Assist programme (CF-Assist)⁴⁴ is a capacity-building and technical assistance programme established by the World Bank in fiscal year 2005 to enable the full engagement of developing countries and economies in transition in the carbon market. As part of the World Bank’s endeavour towards market development, CF-Assist is aimed at assisting interested countries in the development and implementation of projects under the CDM”.⁴⁵ “CF-Assist’s work programme includes three main components: capacity

⁴² UNEP. 2008. *Annual Report*. Available at http://www.unep.org/PDF/AnnualReport/2008/AnnualReport2008_en_web.pdf.

⁴³ <http://www.un-redd.net>.

⁴⁴ Highlights of the World Bank Carbon Finance Assist Programme 2007–2008 can be found in annex XIV.

⁴⁵ <http://wbcarbonfinance.org/Router.cfm?Page=CFAssist&ItemID=24694&cp=24694>.

enhancement, market development, and outreach. CF-Assist's capacity-building activities include: training, institutional strengthening and project portfolio development."⁴⁶

63. The Energy Sector Management Assistance Program (ESMAP) also recently increased its activities related to climate change capacity-building. ESMAP covers four thematic areas:

- (a) Energy security, including energy efficiency;
- (b) Renewable energy;
- (c) Energy poverty;
- (d) Market efficiency and governance.

64. ESMAP carries out a variety of activities in these thematic areas that relate to climate change capacity-building and support the implementation of the Convention. Over the past two years ESMAP has assisted developing countries in carrying out assessments on the transition to a low-carbon economy.⁴⁷

6. Capacity-building support through other agencies of the Global Environment Facility

65. In addition to UNDP, UNEP and the World Bank, seven other multilateral organizations are recognized as agencies of the GEF: AfDB, the Asian Development Bank (ADB), the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Fund for Agricultural Development, FAO and UNIDO. These organizations also carry out capacity-building initiatives not related to the GEF, as demonstrated by the examples given in annex VIII.

7. United Nations Institute for Training and Research

66. The Climate Change Capacity Development (C3D) project was launched in 2003 by the Climate Change Programme of UNITAR. This project addresses capacity needs for climate change in developing countries through training and capacity-building partnerships. It is a multi-donor programme funded by the European Commission, Danida, Irish Aid and the Swiss Federal Office for the Environment.⁴⁸

67. A follow-on project known as C3D+ is being developed to continue supporting capacity-building activities in line with the capacity-building framework. "The C3D+ Initiative is a new step forward directly involving six training centres covering around 30 developing countries that will benefit from a training programme on climate change-related issues. The C3D+ team will continue reinforcing the network's ability to deliver targeted training and capacity-building at the national and regional levels."⁴⁹

68. UNITAR has also served as the manager of the Advancing Capacity for Climate Change Adaptation (ACCCA) project funded by the United Kingdom Department for Environment, Food and Rural Affairs and the European Commission.⁵⁰ "The pilot actions selected for funding under ACCCA each aim to achieve the following objectives:

- (a) Identify and prioritize climate risks to stakeholders and the climate influenced decisions that they face;

⁴⁶ The World Bank Institute. 2008. *Carbon Finance Assist. 2008 Annual Report. Capacity building for low-carbon development*. Available at

<<http://siteresources.worldbank.org/INTCARFINASS/Resources/CFAssistReportFinal06182008.pdf>>.

⁴⁷ World Bank. 2009. *ESMAP Annual Report 2007*. Available at <<http://www.esmap.org/news/news.asp?id=44>>.

⁴⁸ <<http://www.c3d-unitar.org>>.

⁴⁹ As footnote 48 above.

⁵⁰ FCCC/SBI/2008/MISC.5.

- (b) Assess available knowledge about risks and adaptation opportunities as well as synthesize the knowledge in terms that are directly relevant to stakeholder concerns and decision-making needs;
- (c) Develop, test and disseminate risk communication materials that are designed to assist adaptation decisions;
- (d) Use the risk communication materials in stakeholder forums to develop recommendations for adaptation and promote their adoption;
- (e) Identify critical knowledge gaps that impede effective adaptation decisions and design assessment activities that would generate new knowledge to fill them.”⁵¹

69. In a recent development, UNITAR has teamed up with UNDP, UNEP, the UNFCCC secretariat, the United Nations System Staff College and the Chief Executives Board to develop a One UN Training Service Platform for Climate Change. The platform seeks to provide a one-stop window to access United Nations climate change training and learning materials, facilitate the development of a One UN Climate Change Training Package and facilitate the delivery of One UN – One country workshops to support country-driven training and capacity-building related to the implementation of a future international climate change regime.

8. United Nations Economic Commission for Africa

70. The United Nations Economic Commission for Africa (UN/ECA), in partnership with the African Union Commission (AUC), the AfDB and the secretariat of the Global Climate Observing System, has developed a Climate for Development in Africa (CLIM-DEV-Africa) programme to contribute to building African countries’ capacity to effectively respond to the challenge of climate change.

71. In the context of the CLIM-DEV-Africa programme, the UN/ECA is providing technical and financial support to the process of the UNEP-led African Ministerial Conference on the Environment to facilitate the development of an African common position for negotiations at the fifteenth session of the COP as well as the development of a comprehensive programme on climate change for Africa. In addition, at the request of the AUC, the UN/ECA will lead the development of a climate change policy for Africa, in collaboration with UNEP and other partners.

9. World Health Organization

72. Human health is sensitive to climate variability and change, and improved health is the goal of a range of capacity-building programmes within the World Health Organization (WHO). Since global climate change began to emerge as a major issue in the late 1980s, WHO has played a leading role in supporting research on the implications for human health and contributed to major assessments, such as those of the IPCC. Working with leading public health scientists, United Nations agencies and other agencies, WHO reported evidence of the links of climate change to health, quantified past and projected future impacts and identified vulnerable populations. It has also identified broad areas that require support, such as the general strengthening of public health systems, and specific programmes, such as the surveillance and control of infectious diseases, health action in natural disasters and improved management of environmental risk factors. WHO has also worked with its member States to build their capacity to assess climate risks and develop national and local responses to specific threats.

73. National and international efforts on climate change and health are now moving quickly towards efforts to support practical measures to protect health from the effects of climate change, taking into account the nature and scale of likely health effects as well as the large uncertainties. WHO has recently

⁵¹ <<http://www.acccaproject.org/accca/?q=node/2>>.

identified this as a priority for public health protection. In May 2008, 193 WHO member States passed a resolution (WHA61.19) on this issue at the sixty-first session of the World Health Assembly.

74. This resolution calls for support for the proactive management of the threats posed by climate change to health. In order to support Member States, the resolution requests WHO “to develop capacity to assess the risks from climate change for human health and to implement effective response measures”.⁵²

10. Food and Agriculture Organization of the United Nations

75. FAO is applying its extensive experience in capacity-building in developing countries – from farmer organizations to technical ministries, technical support institutions and services and NGOs – to address the new challenges of climate change. Climate change adaptation has given new dimensions to capacity-building in disaster risk management, watershed management, forest management, soil and crop management towards conservative agriculture, and land-use planning and risk management.

76. In this context, FAO has started developing guidelines to update recommendations for agricultural policy to better integrate climate adaptation and mitigation challenges. FAO, in partnership with the International Fund for Agricultural Development, is developing new ex ante analytical tools for project, programme and policy formulation in order to better appraise the carbon balance of agricultural and natural resource programmes and policies. FAO is also beginning to develop guidelines for incorporating climate change considerations into national forest policies and legislation and into forest management planning and practices. FAO is working to build capacity in developing countries for the measurement, assessment, reporting and verification of forest carbon. The Global Forest Resources Assessment Programme of FAO is providing training – through 10 regional and subregional workshops, guidelines and one-to-one feedback – in the assessment of forest carbon using the IPCC good practice guidance, as part of the countries’ reporting process for the Global Forest Resources Assessment 2010.

77. The National Forest Monitoring and Assessment Programme of FAO is providing technical assistance to build countries’ capacity in the areas of baseline setting, measurement, assessment, reporting and verification for the long-term monitoring of their forest resources. Throughout the last decade FAO has been promoting a progressive and flexible approach to national forest inventories and assessments, addressing the increasing requirements for intersectoral and holistic information from national as well as international society. The approach is cost-efficient and supported by a set of ‘good practice’ methodologies on national forest monitoring and assessment. Through a participatory process, FAO is providing training on the planning and implementation of national forest monitoring systems and is strengthening countries’ networks of forestry stakeholders.

78. FAO also organized a range of high-level events and conferences, which included climate change on their agendas, in order to promote awareness and understanding of forests and climate change issues among key stakeholders.

B. Donor support for activities relating to the capacity-building framework

79. The UNFCCC secretariat has compiled a comprehensive list of capacity-building needs and activities, based on information collected from national reports and Parties’ other submissions on capacity-building. The European Community, Japan, the United States of America, and other donors have reported to the COP on relevant capacity-building activities supported by national governments.⁵³ Examples of activities funded and supported by Annex II Parties are presented in annex IX.

⁵² <http://apps.who.int/gb/ebwha/pdf_files/WHA61-REC1/A61_Rec1-part2-en.pdf>.

⁵³ FCCC/SBI/2007/25 and FCCC/SBI/2008/11.

C. Collaborative activities of Parties not included in Annex I to the Convention in support of the capacity-building framework

80. Non-Annex I Parties are undertaking capacity-building activities at the national level as well as through international cooperation and collaboration with other Parties. Activities implemented by developing countries also address the systemic, institutional and individual levels of capacity-building. For example, in July 2008 Brazil organized a capacity-building workshop for other Latin American countries, with a total of 52 participants.⁵⁴

D. Coverage of previously identified capacity-building needs and priorities

81. It is possible to identify the capacity-building priorities that have been addressed and those that have not, as shown in annexes X and XI. Issues of education/training/awareness and adaptation have received significant attention from donor organizations. V&A assessment and capacity-building to implement adaptation measures have been key priorities during the period under review and will remain so in the near future, as there are numerous ongoing activities in this area. Technology transfer is an area that has not been addressed by many international initiatives. This is also the case for research and systemic observation.

82. Based on the data compiled by the UNFCCC secretariat, the priorities that have received by far the most attention are the CDM and activities relating to education, training and public awareness. The activities apparently receiving the least attention relate to the needs arising from the implementation of actions with regard to funding, insurance and the transfer of technology (Article 4, paras. 8 and 9, of the Convention).

83. Based on the data compiled by the UNFCCC secretariat, and the classification by level of implementation, it is possible to analyse the frequency by level of capacity-building activities under the capacity-building framework.⁵⁵ As may be expected, institutional capacity-building activities are the most common. These are closely followed by activities at the individual level and activities relevant at multiple levels. The fewest activities are implemented at the systemic level. Since this analysis is based solely on the number of activities under each capacity-building priority, the scale and scope of all the activities would have to be further analysed to provide a better idea of the extent to which emphasis has been placed on the various activities. Previous assessments have also indicated that insufficient attention may be being paid to systemic capacity-building.⁵⁶

E. Analysis and conclusions

84. There has been a shift in attention among the capacity-building priorities compared with the previous review period. Over the 2004–2008 period there was an increased focus on V&A assessment and the implementation of adaptation activities.

85. According to the survey respondents, the types of climate change capacity-building initiatives that have been the focus of/in developing countries over the past five years are:

- (a) National communications;
- (b) GHG inventories, systems for collecting, managing and utilizing activity data and emission factors;
- (c) V&A assessment;

⁵⁴ FCCC/SBI/2008/MISC.5, paper no. 1.

⁵⁵ See the chart showing capacity-building activities in developing countries by level of implementation in annex XII.

⁵⁶ See section 2.2 of Baastel. 2005. *Developing National Capacity to Comply With the Rio Conventions: Experiences and Lessons Learned from UNDP-GEF National Capacity Self-Assessment Projects*. (unpublished report).

- (d) Education, training and raising public awareness.

86. Activities to enhance the development and transfer of technology and the sharing of information and networking have received less attention, as have efforts to enhance and/or create an enabling environment. Capacity-building activities with respect to the CDM have focused on the creation, strengthening and participation of DNAs in the CDM, including relevant international forums. Increasing the awareness of and training in the CDM for stakeholders in developing countries is the most common area supported over the last five years. Facilitating communication between DNAs and the Executive Board and improving the geographical distribution of the CDM project activities have received less support.

87. Half of the responses from non-Annex I Parties indicate that donor-supported activities are always or often in line with the country's priorities. Although less than 10 per cent of respondents say that donor-supported activities are never in line with their country's priorities, these data indicate that there is still significant scope for improved communication and coordination between donors and national institutions on capacity-building activities.

VI. Factors and constraints relating to the implementation of support for climate change capacity-building

A. Summary of factors and constraints

88. The guiding principles for effective capacity-building identified in the first comprehensive review in 2004 remain valid.⁵⁷ The factors and constraints that affect the implementation of climate change capacity-building activities are assessed here by level of implementation.

1. Factors and constraints at the systemic level

89. According to the data sources reviewed for this note, the important factors related to activities at the systemic level to implement effective climate change capacity-building are:

- (a) An initial political basis and sufficient political will to take into account climate change issues as well as political stability and the existence of applicable strategies and policy documents;
- (b) Multi-stakeholder consultations for all processes, from the identification of capacity-building needs to the implementation of capacity-building activities;
- (c) Sufficient time, participatory processes and a dynamic approach in order to carefully identify capacity-building needs, taking into account all documents assessing country-specific needs;
- (d) South–South and regional cooperation to share information, good practices and lessons learned;
- (e) Adequate funding to ensure sustainability of results;
- (f) The implementation of capacity-building applying a programmatic approach and the inclusion of capacity-building activities in long-term climate change projects or programmes rather than as punctuated inputs;
- (g) A learning-by-doing approach to capacity-building.

⁵⁷ Decision 2/CP.10.

90. The most common constraints identified at the systemic level are a lack of initial political will, lack of awareness and a lack of consideration of climate change needs in development plans and strategies.

2. Factors and constraints at the institutional level

91. According to the documents reviewed and the surveys and interviews conducted, the important factors for implementing capacity-building activities at the institutional level are:

- (a) An initial institutional capacity to coordinate capacity-building initiatives and activities;
- (b) An institutional priority on climate change issues;
- (c) Initial institutional skills;
- (d) The promotion of institutional partnerships and networks;
- (e) The inclusion of capacity-building in sectoral strategies and plans;
- (f) Institutional sustainability.

92. The institutional constraint most frequently mentioned is a lack of capacity to coordinate the implementation of capacity-building activities. As capacity-building is a cross-cutting and long-term issue, it is imperative that mechanisms are in place to ensure effective institutional coordination and avoid duplication of capacity-building initiatives. Furthermore, countries' capacity-building priorities and needs must have been previously included in their sectoral strategies and plans.

3. Factors and constraints at the individual level

93. Based on the documents reviewed and the surveys and interviews of stakeholders conducted for this note, the most important factors contributing to effective climate change capacity-building at the individual level are:

- (a) Some initial local expertise in the area of climate change;
- (b) A low turnover of managers and institutional personnel in order to maintain the results of previous capacity-building activities;
- (c) An increase in the capacity of personnel in administration, the private sector, NGOs, research centres, etc., accomplished by increasing the number of specific climate change degree courses and programmes in secondary schools and at universities.

94. The most important constraint identified at the individual level is the initial low level of expertise available for the implementation of climate change capacity-building activities in ministries and departments, but also in the private sector, NGOs and research centres. In some countries there are an insufficient number of personnel available to fully engage on climate change issues. For example, in some cases a single individual in a ministry or department is responsible for handling all multilateral environmental agreements, in particular those supported financially through the GEF. Respondents also identified a high turnover of managers in key institutions as a major constraint for the effective implementation of capacity-building activities.

B. Analysis and conclusions

95. The main constraint or challenge identified during the first comprehensive review, namely the lack of capacity to implement climate change capacity-building activities and initiatives, remains the biggest barrier during the current period under review. This lack of capacity includes a lack of political will and awareness; weak institutional capacity to coordinate activities and avoid the duplication of

efforts; and a lack of initial local expertise. Although many countries have developed a minimum level of climate-specific capacity, the high turnover of managers and institutional personnel (such as national focal points for the Convention) and the low level of sustainability of the results of previous capacity-building activities harm the implementation of ongoing activities. This indicates that capacity-building activities are more likely to be effective and efficient if they are implemented in an incremental manner and if proper consideration is given to countries' existing capacity and the results of previous activities.

96. Among the most important factors noted by the survey respondents for the effective implementation of capacity-building activities is the consultation of all stakeholders throughout the entire process, from the design of the activities to their implementation. Also important is the integration of climate change issues and capacity-building needs into national development strategies and plans. This indicates that decisions on climate change capacity-building issues should be taken at a high level and be incorporated into national development strategies and plans.

VII. Results and impacts of climate change capacity-building activities

97. While the outputs and outcomes of the capacity-building activities implemented over the last four years are discussed in this chapter of the report, it is recognized that capacity-building is above all a long-term iterative process. The long-term nature of capacity-building is unavoidable but also valuable, since capacity-building activities also require capacity to implement them. Sustained results of capacity-building steadily aggregate over many years and even decades. Furthermore, as has been noted in UNFCCC meetings and workshops, capacity is not developed for its own sake. The intended eventual impacts of capacity-building activities are improved GHG mitigation and more effective adaptation to climate change than would have been achievable with a baseline level of capacity. Thus, the effectiveness of capacity-building activities will be observed only gradually. The following broad evaluations examine capacity-building efforts related to climate change.

A. Results of climate change capacity-building at the systemic, institutional and individual levels

1. Results at the systemic level

98. A conclusion of the 2004 GEF Climate Change Program Study was that the GEF has made a significant contribution to both mitigation efforts and capacity-building in developing countries. It is noted in the study that many climate change projects of the GEF were designed to remove market and policy barriers, build capacity and raise awareness.⁵⁸ The evaluation by the GEF of capacity-building activities also cited the conclusions of the study and further stated that many of the climate change strategies of the GEF had a very strong capacity-building component.⁵⁹

99. The results of the NCSA programme span all three levels of implementation, but are likely to be most significant for the systemic level. The qualitative results and challenges of the NCSA programme are summarized in annex XIII. As at early 2009, 110 countries had completed their NCSAs and another 42 were planning to submit their NCSAs in 2009 or early 2010. Given that the GEF only started approving funding for targeted cross-cutting capacity-building projects on the basis of completed NCSAs in 2008, the results of these projects will not be available until at least the next comprehensive review of the implementation of the capacity-building framework.

100. At the systemic level, some key results of the implemented capacity-building activities were identified by the survey respondents, such as:

⁵⁸ GEF Evaluation Office. 2004. *Climate Change Program Study 2004*. Available at <http://thegef.org/MonitoringandEvaluation/METThemesTopics/METClimateChange/2004_ClimateChange.pdf>.

⁵⁹ GEF Evaluation Office. 2007. *Evaluation of GEF Capacity Development Activities: Literature Review of Guidance on Capacity Development. Capacity Development Information Document No. 2*. Available at <http://www.gefweb.org/uploadedFiles/Evaluation_Office/Ongoing_Evaluations/Cap%20Dev%20Info%20Doc%20No2.pdf>.

- (a) The elaboration of specific climate change documents, such as NAPAs, national communications, V&A assessments, the reporting of GHG emissions, and national climate change plans;
- (b) The integration and recognition of climate change issues in national strategic documents, policies and project designs and better integration of climate change issues in development strategies;
- (c) Increased capacities for the design and implementation of CDM projects;
- (d) The development of skills for compiling GHG inventories and developing mitigation options;
- (e) Better public and private awareness of climate change issues.

2. Results at the institutional level

101. A number of non-Annex I Parties identified the process of compiling their national communications as an important capacity-building activity at the institutional level.⁶⁰

102. At the institutional level, the following key results were identified from the surveys (see examples in annex XV):

- (a) The integration of capacity-building in one sector at all decision levels;
- (b) The creation and/or strengthening of climate change consultative groups;
- (c) The creation and/or strengthening of DNAs and their engagement in the development of CDM project activities;
- (d) The creation of specific climate change courses at universities;
- (e) Better capacity for negotiations at the COP;
- (f) The integration of climate change issues into the research process;
- (g) Enhanced capacity in relevant ministries and strengthened coordination between ministries and departments.

3. Results at the individual level

103. Government personnel have increasingly been involved in international climate change meetings, which has helped to develop their individual capacities: "Exposure to regional and international forums such as the COP and sessions of subsidiary bodies as well as continued dialogue on the internet and other means do contribute to enhancement of capacities to implement the three Rio Conventions."⁶¹ At the individual level, survey respondents identified the following key results of capacity-building:

- (a) Trained and experienced staff and the enhancement of their human resource skills;
- (b) GHG and mitigation experts trained;
- (c) V&A experts trained;
- (d) CDM experts trained.

⁶⁰ See FCCC/SBI/2007/MISC.8 and FCCC/SBI/2008/MISC.5.

⁶¹ FCCC/SBI/2007/MISC.8.

104. In many developing countries, capacity-building activities were implemented to train experts from governmental institutions as well as from the private sector, NGOs and civil society.

B. Considerations and conditions for effective climate change capacity-building activities

105. The effectiveness of capacity-building activities can be evaluated on the basis of the extent to which an objective has been achieved or how likely it is to be achieved. In a broad sense, it is a challenge to assess the effectiveness of capacity-building, because climate change capacity-building needs are continuous, not always quantifiable and require maintenance and sustained effort. Furthermore, the current capacity-building activities, implemented at the present scope and scale, will not be sufficient to meet the global capacity-building needs in the long-term.

106. The second progress report on the implementation of the Strategic Approach of the GEF to Enhance Capacity-building stated that: “The effectiveness of capacity development activities has varied, but even in areas that did not produce immediate benefits, results have been known to develop in the longer term.”⁶² Data collected from the surveys provides the following further insights as detailed in paragraphs 107, 108 and 109 below.

107. At the systemic level, the support provided to the national focal points for enabling activities ensured the sustainability of their operations and built up effective relationships with key partners. For one country, capacity-building in the area of participation in the CDM enabled it to raise the awareness of the CDM process, resulting in the country’s ratification of the Kyoto Protocol at the end of 2008.

108. At the institutional level, the preparation of the national communications assured the wide involvement of global, regional and national expertise in order to assess the present state of environmental and socio-economic development in the light of climate change as well as its adverse consequences for the future. This enabled countries to prepare specific recommendations for the mitigation of climate change and to adequately address the most sensitive sectors in their national development. Supporting the mainstreaming of climate change in academic institutions has also been effective in increasing scientific capacity, enhancing society’s awareness of climate change issues and building individual capacities.

109. At the individual level, training in the use of the IPCC good practice guidance, V&A training including experience of the software, and training in the Long-range Energy Alternatives Planning System were all found to be valuable.

110. An increasingly common approach to capacity-building activities that has been found to be effective is the formation of partnerships and co-implementation arrangements between multiple donor agencies and other organizations such as United Nations agencies. As detailed in chapter V above, there are a number of activities supported by multiple actors. UN-REDD, a partnership between FAO, UNDP and UNEP, is a recent example of this.

111. On the basis of its long experience in capacity-building, UNDP identified the following key challenges to the effectiveness of capacity-building:

- (a) Insufficient commitment to capacity-building, both from non-Annex I Parties and Annex II Parties, often as a result of short-term political realities;
- (b) The involvement of a broad range of types of stakeholder;
- (c) A high turnover among individuals with developed capacities;

⁶² GEF/C.33/Inf.5, 25 March 2008.

- (d) The complex and dynamic nature of climate change issues and the associated lack of institutional coordination;
- (e) Insufficient capacity to absorb, assimilate and act on capacity-building activities.

VIII. Availability and accessibility of resources and the efficiency of their use

A. Availability of resources

112. A wide range of activities and initiatives contribute to capacity-building efforts. Some climate change projects and programmes involve specific capacity-building activities with defined budgets attached, but, on the whole, it is not possible to identify and measure the exact amount of resources supporting the implementation of the capacity-building framework under the Convention. Reporting mechanisms and databases of funding for capacity-building are not currently in place; thus, it is not possible to assess the total amount of funding which has supported climate change capacity-building over the review period. However, this review attempts to identify key resource flows relevant to climate change capacity-building. A sample of the sources and amounts of funding for climate change activities to advance capacity-building is presented in annex XVI.

113. Feedback from stakeholders indicates that support is likely to have increased over the current review period compared with the first review period. This is particularly true in the area of capacity-building to develop and implement CDM project activities. It has been observed that the focus on climate change has “increased in [recent] years and is reflected in newly formed dedicated funds for mitigation projects, adaptation initiatives and capacity-building and information-sharing activities”.⁶³

114. Bilateral development assistance agencies also provide significant resources for climate change capacity-building.

115. As described in paragraph 112 above, specific tracking of resources for capacity-building is rarely implemented. However, “in 2005, the ADB introduced a capacity development classification system for its operations, which allows lending operations to be categorized as capacity development”.⁶⁴ The resource tracking system of the ADB may serve as an example to other organizations for tracking investment in capacity-building.

116. While a significant amount of resources for projects and activities supporting capacity-building has been made available over the review period, the majority of resources do not specifically target capacity-building. On the whole, the resources provided are insufficient compared with the resources that are required to build enough capacity to implement the Convention. This will continue to be the case in the future, possibly to an even greater extent, as the need for adaptation grows owing to the increasingly perceptible effects of climate change.

117. A significant amount of resources will be required in the next 5–20 years. At the third session of the AWG-LCA, Parties noted that the financial resources currently available under the Convention amount to much less than the estimated needs.⁶⁵ At the twenty-seventh session of the SBI, it was noted that reports relating to the GEF NDI process “highlighted that capacity-building continues to be a significant priority for non-Annex I Parties, although no clear estimates are provided with respect to financial resources required to address these capacity needs”.⁶⁶

⁶³ FCCC/TP/2007/4, paragraph 25.

⁶⁴ ADB. 2007. *Integrating Capacity Development into Country Programs and Operations. Medium-term Framework and Action Plan*. Available at <<http://www.adb.org/Documents/Policies/Integrating-Capacity-Development/Integrating-Capacity-Development-2007.pdf>>.

⁶⁵ FCCC/AWGLCA/2008/11.

⁶⁶ FCCC/SBI/2007/21, paragraph 121.

B. Efficiency of resource use

118. In the first comprehensive review in 2004, the capacity-building needs and priorities of developing countries were summarized at the three levels of implementation: systemic, institutional and individual.⁶⁷ During the second comprehensive review, it is possible to determine whether the financial resources provided have been in line with the previously identified needs and priorities, representing thereby an efficient use of resources. Data reviewed in the preparation of this note indicate that, for the majority of the identified needs, some activities have been undertaken and resources have been allocated, but no needs have been comprehensively addressed.

119. At the systemic level, needs being addressed by current activities include:

- (a) The need to strengthen the policy framework;
- (b) The need to disseminate information about the benefits of implementing the Convention at all levels;
- (c) The need for the participation of key stakeholders, such as the public and private sectors, NGOs, academia, and scientific and technical personnel as well as local communities;
- (d) The need to raise public awareness and incorporate climate change into national education programmes.

120. At the institutional level, needs being addressed by current activities include:

- (a) The need for country-specific secretariats or climate change departments with enough human resources, political power and well-defined functions;
- (b) The need to strengthen the management of and the administrative institutional capacity for the collection of data for further research into local emission factors for national GHG inventories;
- (c) The need to enhance institutional capacity for the preparation of projects and programmes;
- (d) The need for additional technical and financial support for inventory preparation, climate change impact assessment and adaptation, institutional strengthening and disaster mitigation.

121. At the individual level, needs being addressed by current activities include:

- (a) The need for trained personnel to manage and operate national GHG inventory systems;
- (b) The need to improve negotiation skills and increase the number of representatives at international meetings to address the main topics discussed;
- (c) The need to increase capacity in technology transfer, negotiation and management, specifically relating to the CDM.

122. However, as discussed in chapter IV above, the previously identified needs remain relevant, while at the same time new capacity-building needs are emerging related to ongoing developments and a dynamic international context.

123. According to the survey respondents, the most efficient capacity-building activities are those that have a valuable direct output, leverage additional investment or operate on a smaller scale. These

⁶⁷ FCCC/TP/2004/1, table 2.

include the national communications, training and education workshops (particularly related to universities and academia), assistance with preparing CDM project activities, which can attract further financial investment, and small-scale renewable energy projects. Based on the data from the surveys, efficiency can be further enhanced through:

- (a) Demonstration projects accompanied by legal and institutional improvements;
- (b) Tailor-made guidelines appropriate to national contexts;
- (c) Flexibility in funding criteria and enhanced financial resources;
- (d) The integration of climate change issues into national development strategies as a priority;
- (e) The sharing of lessons learned.

124. Regional approaches to capacity-building are also commonly noted as being efficient. Taking a regional approach to capacity-building activities means that multiple countries that may have similar needs can be targeted and resources can be leveraged across a broader area. Activities involving multiple countries within a region can also take advantage of the direct sharing of experiences and capacity among neighbouring countries. Communication systems, in particular internet connectivity, are also reaching levels at which remote or online technical assistance can prove efficient.

125. Donor coordination has been a long-standing issue in development assistance⁶⁸ and progress has been made in this area during the period under review, such as the 2005 Paris Declaration on Aid Effectiveness. Currently no single mechanism exists for coordinating climate change capacity-building activities. Parties have suggested that “coordination between multilateral funds and the various bilateral initiatives for climate change be improved to make the most effective use of limited financial resources”.⁶⁹ Additional progress in this area includes the increasing use of multi-donor trust funds, such as UN-REDD.⁷⁰

126. Coordination refers to the need for a rationalized, strategic approach to capacity-building at the national level. Country-driven processes, such as NCSAs, NAPAs and PRSPs, can function as indirect coordination mechanisms in this regard, as long as the governments of the developing countries and donors work together at the national level to systematically address the needs and priorities identified.

127. Although the steps detailed above in paragraphs 123–126 are positive, when referring specifically to the field of climate change capacity-building, there continues to be room for improvement in the area of donor coordination. As noted by one Party: “Duplication of support for some countries by donors is common and is often due to a lack of information and coordination”.⁷¹ Various data sources consulted for this review (documents, surveys and interviews) referred to the need for a long-term, coordinated, sustained and programmatic approach to capacity-building. Such an approach must be based on country-driven needs and priorities and be implemented in an iterative and incremental manner.

C. Accessibility of resources

128. A significant development which affected the accessibility of resources during the review period was the implementation of the Resource Allocation Framework (RAF) in the GEF. The GEF Council adopted the RAF in September 2005.

⁶⁸ For example, see Owada H, Stiglitz J, Civili P and Bellamy C. 1998. *Donor Coordination and the Effectiveness of Development Assistance*. High-level Open Symposium on Development Cooperation. UNU Headquarters, Tokyo, 22 June 1998. Available at: <<http://www.unu.edu/hq/public-lectures/owada.html>>.

⁶⁹ FCCC/SBI/2008/INF.4, paragraph 30.

⁷⁰ <<http://www.undp.org/mdtf/UN-REDD/overview.shtml>>.

⁷¹ FCCC/SBI/2007/MISC.8/Add.1.

129. The GEF Evaluation Office conducted a mid-term review of the RAF after its first two years of implementation. Regarding group allocation countries, the evaluation found that:

- (a) Goals of equity (access to funds for all) and potential flexibility (access to a maximum amount) were difficult to reconcile;
- (b) Most group countries did not understand the guidance/implementation rules;
- (c) Transaction costs (for the countries, the secretariat and the agencies) were higher than those for the individual allocation countries (but the latter receive less benefits);
- (d) Many proposals were discouraged;
- (e) Utilization was still very low at the time of the mid-term review;
- (f) A programmatic approach is under development.

130. Based on these findings, the evaluation concluded that access to resources for countries classified as group allocation countries was limited.⁷² This includes access to resources for targeted capacity-building activities. In addition, the evaluation concluded that: “The design and rules of the RAF are too complex for a network partnership like the GEF, and guidelines and support have not succeeded in making the RAF transparent and accessible.”⁷³

131. The findings and conclusions of the mid-term review of the RAF indicate that, at least with regard to the resources of the GEF relevant to climate change capacity-building, it is urgent that measures be taken to improve access to resources for developing countries. The review included recommendations for the improvement, among other aspects, of access to resources.

132. Parties have repeatedly highlighted difficulties in gaining access to financial resources. In their submissions, Parties noted the difficulties they encountered in accessing the funds of the GEF, such as having to meet certain conditions and go through lengthy procedures in the project approval process. It was also noted that “funding available in the climate change focal area of the GEF is inadequate to enable developing countries to undertake action to achieve the objective of the Convention”.⁷⁴

133. In terms of access to funds, 55 per cent of the survey respondents reported that their funding requests to the GEF and other donors for climate change capacity-building activities were never turned down on the basis of cost, but rather on the quality and relevance of their proposals. However, the remaining 45 per cent reported that their funding requests were often or sometimes turned down. These data indicate that funds are not always available when funding requests are made.

134. Through various UNFCCC-related processes and in particular the AWG-LCA, Parties have made numerous proposals regarding the disbursement of and access to financial resources. These proposals state, inter alia, that:

- (a) The process of resource transfer should be based on the participation of developing countries;
- (b) There should be a shift from a project-based to a programmatic approach, while at the same time continuing a project-based approach where needed;

⁷² GEF Evaluation Office. 2008. *Mid-term review of the GEF Results Allocation Framework*. Presentation. Available at <www.gefweb.org/uploadedFiles/RAF_MTR-presentation_webversion.ppt>.

⁷³ GEF/ME/C.34/2, 15 October 2008.

⁷⁴ FCCC/SBI/2008/INF.4, paragraph 38.

- (c) A metric to monitor the provision of funding should be developed, as well as a link between funding granted, commitments undertaken and the results achieved should be established;
- (d) Developed country Parties should report in their national communications, at the defined frequency of submission, the direct financial transfers and indirect contributions through quantifiable technology and capacity-building support that they have made.⁷⁵

D. Conclusions

135. The information reviewed for the preparation of this note indicates that substantial resources have been made available for activities relevant to climate change capacity-building over the 2004–2008 period. However, tracking the actual resources devoted to capacity-building is extremely difficult owing to the cross-cutting nature of the majority of the capacity-building activities. Specific amounts of funding allocated to capacity-building are not currently reported by the GEF or the donors.

136. As country-driven capacity assessments and development plans are produced, the potential to improve the efficiency of the use of resources increases. Donor coordination through a country-led process is one area that has seen improvement, but where efficiency stills needs to be improved.

137. An important factor which affected access to resources during the period under review was the implementation of the RAF of the GEF. The mid-term review of the RAF concluded that, for the majority of the countries, access to the resources of the GEF had been negatively affected by the implementation of the RAF. Reduced access to funding by the GEF for group allocation countries, including LDCs and small island developing States (SIDS), implies that access to resources contributing to capacity-building activities has also been reduced.

IX. Sustainability of the results of climate change capacity-building

138. Capacity-building is a key factor in ensuring the sustainability of efforts to support the implementation of the Convention. But how can the results of capacity-building be sustained?

139. As described by the GEF in its annual country portfolio evaluation in October 2008,⁷⁶ the GEF has made substantial investments in capacity-building at all levels, but the sustainability of the results is uncertain. This chapter aims to:

- (a) Assess how critical factors that help to ensure the long-term development of capacity to implement the Convention have been tackled by past and current climate change capacity-building efforts;
- (b) Analyse some conditions for improving the sustainability of the climate change capacity-building efforts, such as stakeholders' involvement, initial capacity, coordinating mechanisms, and systems for sharing information and good practices.

A. Key factors affecting sustainability

1. Systemic level

140. Critical factors affecting sustainability at the systemic level relate to the capacity to conceptualize and formulate policies, legislation, strategies and programmes.

⁷⁵ FCCC/AWGLCA/2008/16/Rev.1, paragraph 163.

⁷⁶ GEF Evaluation Office. 2008. *Annual Country Portfolio Evaluation Report 2008: Benin, Madagascar and South Africa*. Available at <http://www.thegef.org/uploadedFiles/Publications-ACPE_Report2008.pdf>.

141. Various data sources reviewed for the preparation of this note indicated that such factors at the systemic level have been frequently addressed by past and current capacity-building activities. The majority of the developing countries have elaborated development strategies, policies and plans, such as PRSPs, which incorporate environmental issues and the need to consider the environment at all levels and stages of the development process.

142. However, the management of climate risks is not often mainstreamed within existing nationally owned strategies, projects and programmes. Climate change issues are generally handled by one or two ministries, such as ministries in charge of environmental issues, agriculture or water supply. Past and current capacity-building efforts have supported national communications, NAPAs, national climate change strategies and national mitigation strategies, but they are rarely fully linked with national strategies or plans. Climate-specific strategies and programmes are more successful when they establish policy links with national strategies and other ministries, such as those for agriculture, water, energy and finance.

143. Furthermore, the management of climate risks is not often handled at the highest level of decision-making within a country. Policymakers outside of the environmental sectors are still not sufficiently aware of the relevant issues, as climate change is often not a high priority within the national development policies of developing countries.

144. According to the literature reviewed and the answers to the interviews and surveys collected, in order to address this critical factor, increased efforts to enhance decision makers' awareness should be undertaken through, for example, participation in national and international workshops.

145. It is imperative that Parties develop national multi-sectoral capacity-building strategies, including capacity-building to address climate change. This process must involve all stakeholders and should be coordinated at the national level. Action plans corresponding to these strategies must then be incorporated into national development strategies, such as a national poverty reduction strategy and sectoral strategies.

2. Institutional level

146. Critical factors affecting sustainability at the institutional level relate to the capacity to implement policies, legislation, strategies and programmes; the capacity to engage and build consensus among stakeholders; and the capacity to mobilize information and knowledge.

147. Data gathered and reviewed for the preparation of this note suggest that critical factors at the institutional level have been marginally addressed by capacity-building efforts. The capacity to develop legislation is likely to be a national-level issue, while the capacity to effectively implement national legislation will have ramifications at the municipal and local levels, depending on the governance of the country. The absence or weakness of capacity at one particular level may act as a bottleneck to the mobilization of capacity at the other levels, thereby limiting the potential to build effective and sustainable capacity to manage climate change issues. It is essential to have the support of the appropriate local, regional and national authorities and institutions to ensure full acceptance and support of programmes, strategies and legislation at the local and regional levels.

148. Generally, national climate change strategies and climate risk management in sectoral strategies, where they exist, suffer from weak implementation. This can be due to a lack of qualified personnel and competing priorities at the sectoral level and in local and municipal development plans. Insufficient sustainability of national and external funding can also pose a problem.

149. When specific climate change projects or programmes are designed in coordination with all stakeholders from the highest decision-making levels down to the local level and funded by external, national and local sources, they are generally well implemented and generate good outcomes. However, when individual programmes come to an end, sustained funding is not available to ensure that the

required outcome is achieved. Both donors and beneficiary countries must adopt a long-term approach to capacity-building, which requires financial sustainability and is ultimately supported by national policies and budgets that reflect national policy priorities.

150. In terms of mobilizing information and knowledge, the capacity-building activities implemented have generally reinforced the sharing of information systems and networks, data-collecting mechanisms and the coordination of database management. However, financial and technical resources and the know-how necessary to maintain equipment and new technologies have not always been provided after specific capacity-building programmes have come to an end. Without these financial and technical resources, the outcomes are limited and unlikely to be sustained in the long term.

3. Individual level

151. At the individual level, critical factors affect the capacity to monitor, evaluate, report on and learn from climate change activities. Capacity-building efforts have also marginally addressed the factors affecting sustainability at this level. Capacity-building activities have helped to strengthen the implementation of monitoring and evaluation systems based on quantitative and qualitative indicators, but these systems are typically orientated to specific programmes and projects. In a few instances, a national system to monitor and evaluate results from climate change activities and climate change capacity-building efforts has been implemented.

152. Furthermore, valuable individual skills are built up through national and international workshops as well as training components in projects and programmes, but the high turnover of managers and the loss of trained staff to take up more attractive offers outside the public sector results in a 'brain drain' and compromises future capacity-building efforts.

153. Attendance at regional and international forums, practical information-sharing among developing countries, the development of a long-term approach to education, the inclusion of training components in projects and the provision of incentives for developing country practitioners to manage and maintain projects are necessary measures to maintain qualified human resources and address the capacity to monitor, evaluate, report on and learn from climate change activities.

B. Conditions to improve the sustainability of climate change capacity-building efforts

1. Stakeholder involvement

154. Enhancing the participation of stakeholders, including central and sectoral governmental institutions, national and international organizations, research and academic institutions, NGOs, civil society, local communities and the private sector, is one of the keys to the sustainability, effectiveness, efficiency and ownership of capacity-building initiatives.

155. Past and current climate change capacity-building efforts have involved a wide range of stakeholders at all stages of activities and processes. According to the documents reviewed and the interviews and surveys conducted for the preparation of this note, the stakeholders most often involved in all capacity-building activities at all stages of the process are central governments, sectoral departments and/or ministries, international organizations and NGOs. Municipal, departmental and regional governments as well as the private sector are less frequently involved.

156. Municipal and local governments, however, are an integral part of the decision and implementation chain and therefore should be involved at all stages of the process of developing capacity-building activities, from design to implementation. They represent the key actors to ensure full acceptance and support of local and regional-scale programmes and activities. They also provide established linkages between indigenous communities and central government. In addition, in order to ensure a country-specific definition of capacity-building needs, local authorities have a key role to play

in relation to local development plans and the implementation of specific climate change measures on the ground. These conditions appear to be particularly true for adaptation projects.

157. The involvement of the private sector relates generally to the enhancement of CDM skills and technology transfer activities. On the whole, the private sector is rarely involved in capacity-building activities aimed to design and implement national strategies and policies, GHG inventories, and vulnerability and adaptation assessments. However, private actors have played important roles in mitigation projects.

158. Although the international community has strengthened its local approach to capacity-building activities since 2004 through more community-based projects, indigenous communities are still one social group that is often excluded from participating in climate change capacity-building activities. Civil society is generally involved in stakeholder consultations through specific NGOs or associations which are not linked with indigenous communities' interests.

2. Initial systemic, institutional and individual capacity

159. As discussed in chapter VI above, a good initial level of institutional, organizational, technical and individual skills is one of the main factors required for the effective implementation of capacity-building activities. These initial capacities are also one of the key factors affecting the sustainability of capacity-building activities. Parties have noted that, without the appropriate policy environment, project results will not be sustainable.⁷⁷

160. The importance of climate change offices and committees should be noted with regard to the sustainability of climate change capacity-building activities. However, such committees are rarely active or operational owing to a lack of human, technical and financial resources to effectively implement the activities under the Convention.

3. Coordinating mechanisms

161. Another important condition to ensure the sustainability of the outcomes and impacts of capacity-building is the existence of coordinating mechanisms at the national and regional levels. They play an important role in ensuring better coordination of climate change capacity-building efforts, avoiding duplication of capacity-building activities, involving all stakeholders in the design and implementation process and sharing information and good practices with all actors.

162. According to the documents reviewed as well as the surveys and interviews conducted in the preparation of this note, at the national level, climate change committees or offices established in recent years are positioned to play this coordination role. As was highlighted in the first review in 2004, while such committees often exist in developing countries, they are often not active or operational owing to a lack of human, technical and financial resources. These committees suffer from being allocated low budgets by their national governments, similar to environmental offices at the sectoral level. This continues to be the case in many countries.

163. Climate change committees can also coordinate the sharing of information, best practices and lessons learned, in addition to managing networks and databases to monitor and evaluate climate change capacity-building activities.

164. There is also an emergence of South–South capacity-building, including support for multilateral and bilateral activities, which is a sign of the importance of regional cooperation.⁷⁸ These South–South collaborative initiatives have contributed to capacity-building in climate modelling, establishing DNAs, developing GHG inventories and preparing national communications.

⁷⁷ FCCC/SBI/2007/MISC.8.

⁷⁸ FCCC/SBI/2007/25, paragraph 25.

165. Regional coordinating mechanisms have also begun to play a role, such as the Ibero-American Network of Climate Change Offices (RIOCC), which is composed of 21 countries of South and Central America. This cooperative entity facilitates both North–South and South–South collaboration. Its objective is to promote permanent dialogue on climate change for a better understanding of the priorities, needs and gaps in the region.

166. Other regional organizations that have been identified as playing an important role are the South Pacific Regional Environment Programme and the Caribbean Community Climate Change Centre. Regional organizations can be beneficial to SIDS and LDCs that may not have the individual capacity to access resources and where loss of capacity at the individual level can be particularly challenging owing to the high turnover of personnel.⁷⁹ Regional approaches are also necessary because climate change impacts are not limited to national boundaries.

167. These regional coordinating mechanisms have an increasingly important role to play in order to ensure regional collaboration to mitigate climate change impacts, provide South–South cooperation in capacity-building activities and strengthen the political influence of developing countries in international negotiations.

C. Analysis and conclusions

168. Past and current capacity-building efforts have not yet substantially addressed the critical factors that help ensure the long-term development of the capacity to implement the Convention. Further efforts are required to:

- (a) Ensure better involvement of the highest decision-making levels in capacity-building activities;
- (b) Elaborate national, multi-sectoral and participatory climate change strategies;
- (c) Provide sustainable funds to maintain capacity at all levels of implementation;
- (d) Limit the turnover of managers within institutions and organizations.

169. In order to address the issue of sustainability, certain conditions must be met, such as the involvement of stakeholders, sufficient levels of initial institutional, organizational, technical and individual capacity and the existence of national and regional mechanisms. If these prerequisites are not ensured at the beginning of the implementation of capacity-building activities, there is little chance that the outcomes and impacts of the activities will be sustainable in the long term.

X. Monitoring and evaluation of climate change capacity-building activities

A. Short summary of the recent progress towards a monitoring and evaluation framework

Box 2. Key steps towards a monitoring and evaluation system supporting the implementation of the capacity-building framework

June 2004: First comprehensive review of the implementation of the capacity-building framework. The note includes a table entitled “Types of capacity-building indicators relating to the strategic areas of support in the United Nations Development Programme (UNDP)/Global Environment Facility (GEF) resource kit and the needs presented in the capacity-building framework” (FCCC/TP/2004/1).

December 2004: Parties encouraged by the Conference of the Parties to report on the effectiveness and sustainability of capacity-building programmes in their national communications and other relevant documents (decision 2/CP.10, paragraph 2).

⁷⁹ GEF, direct communication, 25 February 2009.

Box (continued)

April 2006: Synthesis of views, including key elements of a monitoring and evaluation framework (FCCC/SBI/2006/5).

November 2006: Parties invited to submit information on the activities that they undertook pursuant to decisions 2/CP.7 and 2/CP.10, which should include, inter alia, such elements as needs and gaps, experiences and lessons learned (decision 4/CP.12, paragraph 1 (a)).

February 2007: Paper on a possible format for reporting on the regular monitoring of the implementation of the capacity-building framework, with a table entitled “Priority areas of capacity-building, indicative targets and performance measures for common expected outcomes” (FCCC/SBI/2007/5).

November 2007: Expert workshop on monitoring and evaluation of capacity-building in developing countries (FCCC/SBI/2007/33).

April 2008: Further development of capacity indicators and survey tools by the GEF, UNDP and the United Nations Environment Programme under the Global Support Programme for national capacity self-assessment (GEF/C.33/Inf.5).

November 2008: Expert meeting on experiences in using performance indicators for the monitoring and evaluation of capacity-building at the national level (FCCC/SBI/2008/15, FCCC/TP/2008/5 and FCCC/SBI/2008/MISC.6).

170. As shown in box 2, progress has been made towards the implementation of a monitoring and evaluation framework for capacity-building. Parties’ initial experiences with monitoring and evaluation have demonstrated the importance and usefulness of a monitoring and evaluation system for capacity-building. At the same time, Parties require technical and financial resources to implement a sufficient monitoring and evaluation system.⁸⁰

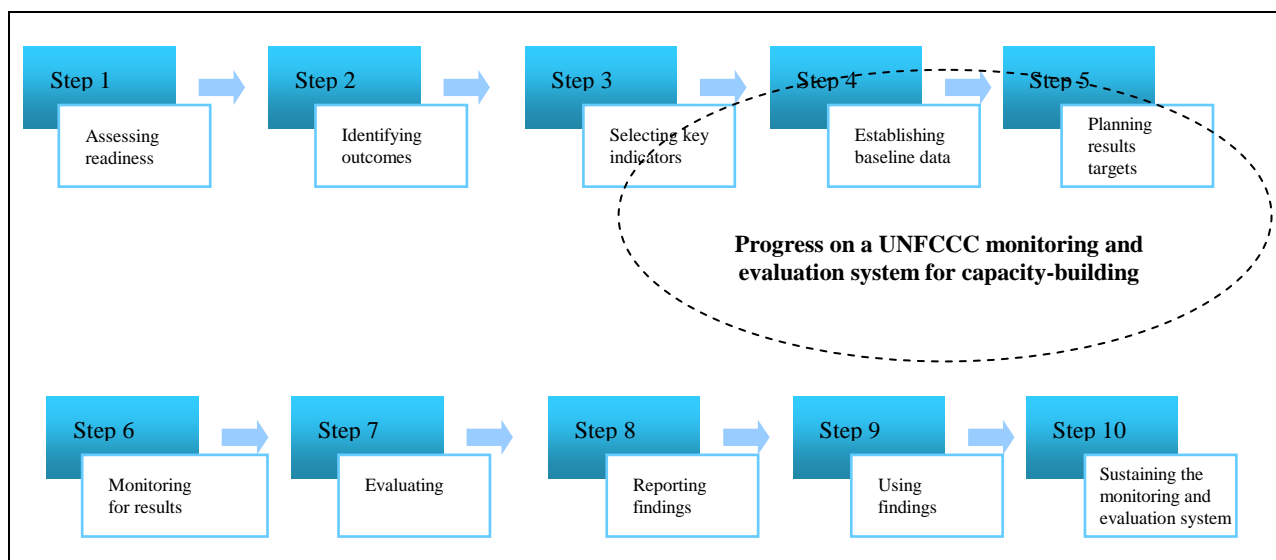
171. Effective results-based monitoring and evaluation systems are developed through collaborative, participatory and transparent processes. Although good progress has been made towards the implementation of a monitoring and evaluation system for climate change capacity-building, many steps remain before this objective is fully realized.

B. Next steps towards the implementation of a monitoring and evaluation system

172. One source outlining the development of a results-based monitoring and evaluation system suggests the process shown in the figure below. Recognizing that the development of indicators is an iterative process based on the activities undertaken, it is deemed that the Parties have reached approximately steps 3–5, as shown in the figure below.

⁸⁰ FCCC/SBI/2009/5.

**Ten steps to developing a results-based monitoring and evaluation system:
progress in developing a climate change monitoring and evaluation
framework for capacity-building**



Source: Adapted from: World Bank. 2004. *Ten Steps to a Results-Based Monitoring and Evaluation System*.

173. Based on the progress so far in developing a monitoring and evaluation framework for climate change capacity-building activities, a useful next step will be to undertake a trial period to test tools and approaches. This will require the final development of tools and survey instruments in order to collect baseline data and monitor results. As suggested among the topics for follow-up and consideration at the expert workshop in November 2008⁸¹ the next steps will require the development of a manual or set of tools that would build on current activities and processes to support the monitoring and evaluation of climate change capacity-building at the national level. Providing clear guidance and the necessary tools would facilitate a testing phase for a monitoring and evaluation framework to assess progress under the capacity-building framework and would improve knowledge on climate change capacity-building activities and their results.

174. Flexibility is critical for implementing a monitoring and evaluation framework. Parties should be free to make use of indicators, guidelines, reporting instruments and other elements of a common framework that are relevant to their needs and priorities, in recognition of the countries' varying circumstances and the importance of a country-driven process.

XI. Lessons learned

175. Although the majority of the 15 areas of needs identified in the capacity-building framework and the six areas identified in decision 29/CMP.1 are being addressed by capacity-building programmes, significant gaps remain. These gaps include:

- (a) Needs that have received less attention from the international community, such as strengthening the focus on climate change issues in national policies and strategies;
- (b) New needs arising from the evolving context of climate change and the definition and implementation of new mechanisms such as UN-REDD;
- (c) Regional and national disparities between developing countries.

⁸¹ <http://unfccc.int/cooperation_and_support/capacity_building/items/4493.php>.

176. One of the respondents to the survey noted that capacity-building initiatives are mostly workshops, which are of short duration. This respondent stressed the need to have projects that encourage learning-by-doing to enable the transfer of skills and technology. This indicates how the approach of capacity-building has to move on from individual isolated interventions, such as workshops or meetings, towards a cohesive programme aiming to strengthen capacities at the broadest systemic and national levels in a comprehensive and sustained manner.

177. Lessons identified in the first comprehensive review in 2004 are still pertinent and were mentioned by several respondents. To begin with, a preliminary self-assessment of needs and existing capacity at all levels and among all stakeholders is imperative to ensure an effective and efficient implementation of capacity-building initiatives. Following initial assessments, consultations with stakeholders and considerations by high-level decision makers should be conducted to ensure the effective design of capacity-building activities in a cohesive capacity-building programme.

178. A good initial level of capacity and skills of local experts is imperative to ensure an enabling environment for the achievement of capacity-building activities. This can eventually be achieved by incorporating climate change issues into programmes at secondary schools and universities.

179. The high turnover of managers at the institutional level is an important barrier to the retention of the results of past capacity-building activities and the implementation of future activities.

180. It has also been noted at sessions of the SBI that replicating model projects has proven to be a cost- and time-effective means of bringing the successes and lessons learned from one country to another.⁸²

181. Capacity-building is integrated into many climate change activities and there is no separate reporting framework on financing for capacity-building which could provide clearer information in this regard.

182. Capacity-building activities have long-term objectives; therefore, the results in terms of the level of impact on GHG mitigation and the effectiveness of adaptation can only be observed gradually over many years. Climate change capacity-building activities can have synergistic results. This is particularly true at the institutional level, where the national institutions involved have responsibilities beyond addressing climate change issues. Furthermore, the usefulness of the outputs and outcomes of capacity-building interventions, particularly at the individual level, could be improved by developing a comprehensive capacity-building strategy rather than by implementing isolated activities.

183. Lessons can also be learned from the data collected from the surveys. One lesson is that capacity-building activities have a catalytic effect as networks and relationships are established. In the experience of the GEF, an important lesson has been the value derived from engaging directly with developing countries through training and other activities rather than relying on implementing agencies to effectively convey information about the GEF at the national level. Country-driven activities based on national priorities are the most effective and produce the best results. At the same time, as experience with the NCSA shows, capacity is required to implement capacity-building activities. To produce sustained results, this capacity should be built slowly from within, rather than relying solely on outside expertise for the sake of expediency.

184. Experience has shown that climate change presents such a broad set of challenges that it is necessary to form partnerships and involve a broad range of stakeholders to make progress in addressing these challenges. The recent trend towards increased collaboration among United Nations agencies and between United Nations agencies and Bretton Woods agencies as well as other partners has shown promising signs of increasing effectiveness and efficiency.

⁸² FCCC/SBI/2007/MISC.8.

185. In terms of the sustainability of capacity-building, the key lessons noted below can be applied to capacity-building activities in support of the implementation of the Convention and of the Kyoto Protocol:

- (a) Climate-specific activities such as capacity-building initiatives to support the implementation of the Convention are more successful and sustainable in the medium and long term when they establish policy links with national strategies and other ministries, such as those for agriculture, water, energy and finance;
- (b) The highest decision-making levels have to be involved from the first stage of developing capacity-building activities in order to ensure the sustainability of the policies and institutions;
- (c) Non-Annex I Parties should elaborate national and multi-sectoral climate change strategies involving all stakeholders and incorporate recommendations or action plans for these strategies into national poverty reduction strategies or national development policies in order to ensure the sustainability of specific climate change activities;
- (d) Capacity-building activities have to be supported by the appropriate local, regional and national authorities and institutions in order to ensure full acceptance and support for local and regional-scale programmes, strategies and legislation, and to produce sustainable results;
- (e) Both donors and beneficiary countries must adopt a long-term approach to capacity-building, which requires financial sustainability and which is ultimately supported by national policies and budgets which reflect national priorities;
- (f) Capacity-building activities will be more effective if they are integrated into specific global climate change programmes, to be implemented over the medium term;
- (g) National systems to monitor, evaluate and report results from climate change activities and climate change capacity-building initiatives have to be implemented in order to ensure the continuity of climate change capacity-building efforts and to compensate for the high turnover of administrative personnel and for policy changes;
- (h) A long-term approach to education, including training components in projects/programmes and the provision of incentives for developing country practitioners to manage and maintain projects, is a necessary measure to maintain qualified human resources and address the capacity to monitor, evaluate, report on and learn from climate change activities;
- (i) National climate change committees have to be operational and active in order to ensure the good coordination of capacity-building activities, to monitor and evaluate the results of capacity-building activities, to build a consensus between all stakeholders, to share information and good practices at the national level and to ensure the retention of the outcomes and impacts of capacity-building;
- (j) Policies needed for the implementation of capacity-building activities must be in place before the activities are implemented in order to ensure their sustainability;
- (k) The objectives of capacity-building activities need to be commensurate with the current capacity levels found in the recipient countries;
- (l) Regional coordinating mechanisms have an increasing role to play in regional collaborations in order to fight climate change and promote South-South cooperation in capacity-building activities.

XII. Key findings and conclusions

186. The identification of capacity-building needs and the implementation of climate change capacity-building activities should follow the country-specific identification of needs and priorities provided in the NCSAs, NAPAs and other relevant processes. All national stakeholders as well as the international community should contribute to this country-specific identification of needs. The NCSA and NAPA processes need to be followed, completed and dynamically monitored in order to identify and fill existing gaps at the national level.

187. Outputs from the AWG-LCA should be linked with the scope of the original capacity-building framework and a process to extract emerging capacity-building needs should be created. Complementarities and synergies must be ensured between the work of the AWG-LCA and the work to advance the implementation of the capacity-building framework.

188. The range and variety of capacity-building activities is impressive, but also indicates that there is a pressing need for coordination among donors and between donors and beneficiary countries. The completion of the NCSA process should help improve this aspect, but there should be a conscious sustained effort to improve communication and coordination with regard to capacity-building activities.

189. Further capacity-building initiatives should be designed, after a comprehensive analysis of pre-existing capacities and following the consultations with stakeholders, which can be done through the development of NCSAs and NAPAs and by paying more attention to the monitoring and evaluation mechanisms of capacity-building activities. In this context, national profiles that document existing capacities and outline priority needs at the systemic, institutional and individual levels could serve as important tools to document the baseline situation and measure progress in capacity development, if regularly updated by the countries. Furthermore, capacity-building activities must form an integral part of global climate change programmes that respond to national priorities identified in national development strategies, legislation and policies and be implemented through medium or long-term approaches.

190. There should be a continuous analysis and assessment of the levels at which capacity-building activities are implemented in order to ensure sufficient coverage at the systemic, institutional and individual levels. Currently, there appears to be insufficient emphasis on the systemic level, which may reduce the effectiveness of activities at the institutional and individual levels in the long term.

191. The assessment of the availability of, and access to, financial resources to support climate change capacity-building activities shows that:

- (a) The most effective approach to capacity-building is a consistent, predictable, incremental and long-term programmatic approach;
- (b) Capacity-building should be undertaken through country-driven processes, with high levels of coordination and transparency;
- (c) Financial resources for climate change capacity-building should be scaled up in order to progress towards meeting current, emerging and future needs;
- (d) Immediate steps should be taken to improve access for all developing countries to financial resources for capacity-building.

192. National climate change committees should be strengthened and made operational and active in order to ensure the good coordination of climate change capacity-building efforts. This will also compensate for the high turnover of managers at the institutional level as well as for overall policy changes. National committees should also be enabled to monitor and evaluate the outcomes and impacts

of capacity-building activities; share information and good practices; and incorporate climate change capacity-building efforts into ongoing sustainable development processes.

193. The development of a practical manual or guide on the monitoring and evaluation of climate change capacity-building activities would be beneficial. This guide should build upon the progress made in the development of indicators and survey instruments. The development of this guide should take into consideration the views and needs of Parties, in particular recognizing the limited reporting capacity of many developing country Parties. Monitoring and evaluation processes should be simple, clear, straightforward and integrated with the existing reporting processes.

194. Flexibility is critical for implementing a monitoring and evaluation framework. Parties should be free to make use of the indicators, guidelines, reporting instruments and other elements of a common framework that are relevant to their needs and priorities, in recognition of their varying national circumstances and the importance of a country-driven process. Parties should also take advantage of the monitoring and evaluation process to build additional capacity.

Annex I

[ENGLISH ONLY]

Terms of reference for the second comprehensive review of the implementation of the framework for capacity-building in developing countries¹

I. Objectives

1. The second comprehensive review of the implementation of the framework for capacity-building in developing countries adopted under decision 2/CP.7 (the capacity-building framework) has the following objectives:

- (a) To take stock of progress in, and assess the effectiveness of, the implementation of capacity-building activities directly relating to the capacity-building framework;
- (b) To examine possible gaps between the provisions of decisions of the Conference of the Parties (COP) and the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (CMP) and the implementation of capacity-building activities;
- (c) To identify lessons learned and best practices with a view to developing options for enhanced implementation of the capacity-building framework, taking into account additional needs and priorities for capacity-building.

II. General principles in the comprehensive review process

2. The second comprehensive review of the implementation of the capacity-building framework should be based on the guiding principles and approaches outlined in decision 2/CP.7, annex, chapter B, and should take into account relevant provisions in related COP² and CMP³ decisions on capacity-building.

III. Information sources

3. Information on capacity-building activities for the comprehensive review should be drawn from, inter alia:

- (a) Submissions from Parties;
- (b) Annual synthesis reports on capacity-building that are prepared by the secretariat in accordance with the steps for the regular monitoring and evaluation of capacity-building contained in decisions 4/CP.12 and 6/CMP.2;
- (c) Relevant national reports (such as national communications and national adaptation programmes of action, poverty reduction strategy papers and national capacity self-assessments);
- (d) Reports and submissions from the Global Environment Facility and its agencies, United Nations organizations and other relevant organizations;
- (e) Other relevant existing documents prepared by the secretariat.

¹ See document FCCC/SBI/2008/2.

² Decisions 4/CP.9, 9/CP.9, 2/CP.10 and 4/CP.12.

³ Decisions 7/CMP.1, 29/CMP.1 and 6/CMP.2.

IV. Expected outcomes

4. The comprehensive review should result in a report from the Subsidiary Body for Implementation (SBI) at its thirtieth session on an analysis of the progress made in, and the effectiveness of, the implementation of the capacity-building framework, which will lead to a decision on the comprehensive review being adopted by the COP at its fifteenth session. The report should also include:

- (a) Descriptions of capacity-building programmes and activities;
- (b) Identification of needs and gaps and an assessment of factors and constraints in capacity-building activities in developing countries that influence the effectiveness of capacity-building projects and programmes, as well as lessons learned and best practices, future opportunities, challenges and barriers, and possible areas for improvement;
- (c) Key results and impacts;
- (d) Information on the extent and variety of stakeholders within developing countries (governmental and non-governmental organizations, the private sector, community organizations, etc.) involved in and benefiting from capacity-building activities;
- (e) The availability of and access to resources, and the effectiveness of their deployment;
- (f) The sustainability of capacity-building activities and the extent of national engagement;
- (g) The extent to which capacity-building activities support the initial scope of needs and areas listed in decision 2/CP.7, annex, paragraphs 15–17, actions by Parties (paras. 18–20) and the priority areas listed in decision 29/CMP.1, paragraph 2, taking into account the nine key factors identified in decision 2/CP.10, paragraph 1;
- (h) Recommendations for the further implementation of the capacity-building framework.

5. The comprehensive review should also result in recommendations by the SBI at its thirtieth session on further steps to regularly monitor and evaluate capacity-building activities undertaken pursuant to decisions 2/CP.7, 4/CP.12, 29/CMP.1 and 6/CMP.2.

Annex II

[ENGLISH ONLY]

Synthesis of the first comprehensive review of the implementation of the capacity-building framework

1. In relation to the capacity-building needs and priorities of developing countries, in the first comprehensive review it was concluded that the framework for capacity-building in developing countries (hereinafter referred to as the capacity-building framework) was still largely in line with the priorities of Parties not included in Annex I to the Convention (non-Annex I Parties). The countries' needs and priorities identified by respondents to the surveys conducted in the preparation of this document were related to: the production of national communications and greenhouse gas inventories; emission database management; systems for collecting, managing and utilizing activity data and emission factors; institutional capacity-building, including the strengthening, as appropriate, of national climate change secretariats or national focal points; vulnerability and adaptation assessment; and capacity-building for the implementation of adaptation measures. Other needs for more support from the secretariat and the Global Environment Facility (GEF) were also identified in terms of:

- (a) Better sharing of information and lessons learned;
- (b) A larger pool of human resources with expertise in capacity-building at the GEF secretariat;
- (c) A means of informing developing countries directly when new funding mechanisms are at the planning stage.

2. However, as the capacity-building needs identified by developing countries were many and wide-ranging, it was recommended in the first comprehensive review that a thorough and systemic assessment for and by non-Annex I Parties of their capacities was needed to further clarify their specific needs and the relevant priority actions in each country.

3. Regarding activities implemented between 2001 and 2004, in the first comprehensive review it was concluded that multilateral and bilateral agencies had tackled a wide range of priority issues identified in the capacity-building framework and expressed by non-Annex I Parties. However, some types of capacity-building programmes and activities had been given more attention than others, such as institutional capacity-building, education and training, raising public awareness, the development and transfer of technology, and vulnerability and adaptation assessment. In the review, it was recommended that a good dialogue between stakeholders could ensure that the initiatives were in line with the needs expressed. In addition, it was recommended that capacity-building efforts should also address various levels, from policymaking to mobilizing capacity on the ground.

4. In terms of results and impacts, it was concluded in the review that the capacity-building initiatives implemented had permitted the creation of relevant and efficient institutions, improved the quantity and quality of information generated and disseminated, and increased the capacity of thousands of individuals to tackle a wide range of climate change issues. Experience gained between 2001 and 2004 demonstrated that the most effective capacity-building initiatives are based on existing self-assessments of capacity needs, take a long-term approach, ensure the participation of stakeholders and attempt to integrate capacity-building in wider sustainable development efforts.

5. With respect to the available resources, it was concluded in the review that the amount provided for capacity-building activities had been considerable. However, additional financial and technical resources should also be provided to non-Annex I Parties to enable them to implement the Convention and to ensure that their numerous and complex capacity-building needs are addressed. The efficiency of

capacity-building efforts could be increased through increased dissemination of information, improved mechanisms for exchanging information and improved South–South cooperation.

6. In the previous review, it was concluded that the sustainability of capacity-building efforts depended on an integrated approach that considers the system in place in a given country and/or region for managing climate change issues and improves the effectiveness of this system at the local, national and regional levels. To ensure sustainable results, capacity-building efforts must develop a higher degree of political commitment, encourage local ownership, place emphasis on local expertise and participation, ensure that interventions match national capacities, recognize the slow pace at which results may emerge and ensure effective monitoring of and feedback on progress made.

Annex III

[ENGLISH ONLY]

**Objective and scope of capacity-building within the framework of decision
2/CP.7**

1. The following is the initial scope of needs and areas for capacity-building in developing countries as broadly identified in the annex to decision 10/CP.5, in the compilation and synthesis document prepared by the secretariat¹ and in submissions from Parties and intergovernmental organizations:²

- (a) Institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points;
- (b) Enhancement and/or creation of an enabling environment;
- (c) National communications;
- (d) National climate change programmes;
- (e) Greenhouse gas inventories, emission database management and systems for collecting, managing and utilizing activity data and emission factors;
- (f) Vulnerability and adaptation assessment;
- (g) Capacity-building for the implementation of adaptation measures;
- (h) Assessments for the implementation of mitigation options;
- (i) Research and systematic observation, including meteorological, hydrological and climatological services;
- (j) Development and transfer of technology;
- (k) Improved decision-making, including assistance for participation in international negotiations;
- (l) The clean development mechanism;
- (m) Needs arising from the implementation of Article 4, paragraphs 8 and 9, of the Convention;
- (n) Education, training and raising public awareness;
- (o) Information and networking, including the establishment of databases.

2. Other capacity-building needs and possible responses are being identified by the Parties in their discussions of other issues. The decisions resulting from these discussions, as well as other activities related to the implementation of the Convention and preparation for the effective participation by developing countries in the Kyoto Protocol process, should continue to inform the scope and implementation of this framework.

¹ FCCC/SB/2000/INF.1.

² FCCC/SB/2000/INF.6, FCCC/SB/2000/INF.7, FCCC/SB/2000/INF.8 and FCCC/SB/2000/INF.9.

Specific scope for capacity-building in the least developed countries

3. The least developed countries and small island developing States are among the most vulnerable to extreme weather events and the adverse effects of climate change. They also have the least capacity to cope with and adapt to the adverse effects of climate change.
4. The following is the initial assessment of the needs and priority areas for capacity-building in these countries:
 - (a) Strengthening existing and, where needed, establishing national climate change secretariats or focal points to enable the effective implementation of the Convention and effective participation in the Kyoto Protocol process, including preparation of national communications;
 - (b) Developing an integrated implementation programme which takes into account the role of research and training in capacity-building;
 - (c) Developing and enhancing technical capacities and skills to carry out and effectively integrate vulnerability and adaptation assessments into sustainable development programmes and develop national adaptation programmes of action;
 - (d) Strengthening existing and, where needed, establishing national research and training institutions in order to ensure the sustainability of the capacity-building programmes;
 - (e) Strengthening the capacity of meteorological and hydrological services to collect, analyse, interpret and disseminate weather and climate information to support the implementation of national adaptation programmes of action;
 - (f) Enhancing public awareness (improving the level of understanding and building human capacities).

Annex IV

[ENGLISH ONLY]

Decision 2/CP.10: Key factors that should be taken into account and could assist in the further implementation of decision 2/CP.7

The following are key factors that should be taken into account and could assist in the further implementation of decision 2/CP.7:

- (a) To make institutional capacity-building a priority for the creation and strengthening of basic institutional infrastructure;
- (b) To raise awareness at various levels on climate change issues and increase the involvement of national governmental organizations in capacity-building activities;
- (c) To develop and, where appropriate, promote exchange of best practices, experiences and information on capacity-building activities undertaken by various Parties, including financial resources, case studies and tools for capacity-building;
- (d) To ensure effectiveness of capacity-building activities so that:
 - (i) They enhance the ability of developing country Parties to implement the Convention and to participate effectively in the Kyoto Protocol process;
 - (ii) Initial and subsequent national communications and national adaptation programmes of action provide a good measure of successful capacity-building as it relates to the implementation of the Convention;
 - (iii) Capacity-building is integrated as a priority by policymakers and decision makers;
 - (iv) Long-term sustainability of capacity-building activities is achieved through integration in planning processes;
- (e) To make financial and technical resources available, through an operating entity of the financial mechanism and, as appropriate, through multilateral and bilateral agencies and the private sector, to assist developing countries, in particular the least developed countries and small island developing States among them, in the implementation of this framework;
- (f) To further apply learning-by-doing approaches for capacity-building by supporting various types of capacity-building activities, projects and programmes at the national and local levels;
- (g) To continue to improve international donor coordination in the provision of financial resources and to harmonize donor support in alignment with national priorities, plans and strategies;
- (h) To ensure that resources are made available for the implementation of capacity-building activities;
- (i) To strengthen institutional arrangements at the national level to coordinate implementation consistent with decision 2/CP.7 as a way of promoting integration of climate change issues into the national planning processes so as to increase the effectiveness and sustainability of outcomes.

Annex V

Decision 29/CMP.1: Priority areas of capacity-building relating to participation in project activities under the clean development mechanism

Capacity-building relating to the implementation of the Kyoto Protocol in developing countries within the scope of the capacity-building framework should be provided to enhance the ability of developing countries to participate effectively in project activities under the clean development mechanism (CDM), such as those priority areas listed below:

- (a) Institutional capacity-building to assist developing countries in establishing and strengthening designated national authorities (DNAs);
- (b) Increasing awareness, training and networking of developing country DNAs, non-governmental organizations, the private sector and all relevant stakeholders, particularly for the development of skills relating to the CDM project cycle;
- (c) Supporting and facilitating communication, cooperation and networking between developing country DNAs, the CDM Executive Board and other CDM actors;
- (d) Providing support for broader participation in the CDM, including participation in designated national authority forums in conjunction with sessions of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and the subsidiary bodies;
- (e) Improving geographical distribution, knowing well the difficulties of Africa to attract CDM projects, by supporting the development of CDM projects in the least developed countries and small island developing States, through training, CDM market analysis and forums;
- (f) Enhancing capacity to formulate mitigation activities and policies and to integrate them with other policy instruments within the framework of sustainable development;
- (g) Removing barriers preventing the development of CDM projects, including, for example, by providing assistance to national governments in determining an appropriate CDM forest definition, designing an appropriate feed-in law for the electrical grid and drafting legislation to legally recognize the existence and ownership of certified emission reductions.

Summary of past and current capacity-building needs and priorities

	Needs and priorities identified in the first comprehensive review of the implementation of the capacity-building framework (2004)	Current needs and priorities identified (2009)
Systemic	<ul style="list-style-type: none"> Strengthening of policy framework (e.g. conflicting mandates, functions of responsible agencies) 	<ul style="list-style-type: none"> Strengthening inter-ministerial coordination and consolidating priorities between departments in order to make climate change a priority in their sustainable development plans
	<ul style="list-style-type: none"> Consolidation by government institutions of priorities between departments in order to make climate change a priority in their sustainable development plans 	
	<ul style="list-style-type: none"> Mainstreaming climate change into countries' environmental programming in all sectors 	<ul style="list-style-type: none"> Financial and technical support for the formulation of national climate change policies and programmes and mainstreaming climate change into the development of plans, national policies and legislative frameworks
	<ul style="list-style-type: none"> Long-term financial resources for climate change activities 	
	<ul style="list-style-type: none"> Enhancing capacity for policy formulation and planning, and the integration of climate change into such policies 	
	<ul style="list-style-type: none"> Capacity to enforce policy instruments at the national level 	
	<ul style="list-style-type: none"> Stronger political commitment 	<ul style="list-style-type: none"> Stronger political commitment and awareness-raising of decision makers
	<ul style="list-style-type: none"> Disseminating information about benefits of the implementation of the Convention at all levels 	<ul style="list-style-type: none"> Legal frameworks for information-sharing and networking on climate change, including clearing houses to disseminate climate change information
	<ul style="list-style-type: none"> A regional clearing house for information-sharing and networking on climate change 	
	<ul style="list-style-type: none"> Participation of key stakeholders, such as the public and private sectors, non-governmental organizations, academia and scientific and technical personnel, as well as local communities 	<ul style="list-style-type: none"> Participation of key stakeholders, such as the public and private sectors, non-governmental organizations, academia and scientific and technical personnel, as well as local communities
	<ul style="list-style-type: none"> Raising public awareness and incorporating climate change into national education systems 	<ul style="list-style-type: none"> Raising public awareness, incorporating climate change into national education systems and translating information into local languages
		<ul style="list-style-type: none"> Capacity to assess vulnerability, evaluate the economic costs and develop adaptation measures and integrate them, incorporating risk management strategies into sectoral, subnational and national planning and programmes
		<ul style="list-style-type: none"> Financial and technical support to implement adaptation projects and programmes
	<ul style="list-style-type: none"> Catalysing and maximizing mitigation action to reduce greenhouse gas (GHG) emissions; defining, adopting, measuring, verifying and reporting the nationally appropriate mitigation actions 	
	<ul style="list-style-type: none"> Defining, strengthening and implementing technology-specific policies and measures, including low-carbon technologies and national energy policies 	
	<ul style="list-style-type: none"> Laws and regulations for clean development mechanism (CDM) activities 	

	Needs and priorities identified in the previous review (2004)	Current needs and priorities identified (2009)
Institutional	<ul style="list-style-type: none"> Country-specific secretariats or climate change departments with enough human resources and political power and well-defined functions in climate change 	<ul style="list-style-type: none"> Establishing, strengthening, training and maintaining climate change offices, committees or units
	<ul style="list-style-type: none"> Strengthening the management of and administrative institutional capacity for: the collection of data for further research into local emission factors for the preparation of national GHG inventories; the management and operation of national GHG inventory systems; the establishment of research centres; the development of databases; and the development and implementation of adaptation strategies and plans 	<ul style="list-style-type: none"> Strengthening institutions that are involved in the preparation of GHG inventories and the management of data; providing training in preparing GHG inventories; providing technical and financial support; supporting the establishment of national GHG data systems; and developing local factors to enhance GHG inventories
	<ul style="list-style-type: none"> Enhancing institutional capacity to prepare projects and programmes; improving data collection and monitoring; establishing and upgrading stations for systematic observation 	<ul style="list-style-type: none"> Support for institutions to develop their capacity to coordinate the planning and implementation of adaptation and mitigation measures
	<ul style="list-style-type: none"> Additional technical and financial support for inventory preparation, assessment of climate change impacts and adaptation, institutional strengthening and disaster mitigation 	<ul style="list-style-type: none"> Providing training for local institutions in vulnerability and adaptation (V&A) assessments; improving V&A assessment models; establishing risk monitoring networks, including early warning systems, systematic observation, and modelling, forecasting and access to climate information
	<ul style="list-style-type: none"> Establishing regional centres of excellence 	<ul style="list-style-type: none"> Establishing regional centres of excellence
		<ul style="list-style-type: none"> Raising awareness and establishing international, regional and national climate change and adaptation research and technical support centres for specific adaptation measures
		<ul style="list-style-type: none"> Capacity-building and institutional strengthening for the conservation and sustainable management of forests, in order to increase carbon stock and take part in the mechanism for reducing emissions from deforestation and forest degradation in developing countries Promoting, developing and transferring environmentally sound technologies, increasing technology deployment and technology research and development in key sectors Supporting the establishment, operation and maintenance of designated national authorities Awareness-raising of institutions and private operators in the CDM process and designing CDM projects

	Needs and priorities identified in the previous review (2004)	Current needs and priorities identified (2009)
Individual	<ul style="list-style-type: none"> • Trained personnel to manage and operate national GHG inventory systems, develop climate change scenarios, develop databases and develop and implement adaptation and mitigation responses and strategies 	<ul style="list-style-type: none"> • Training specialists and experts in many fields and all areas of the capacity-building framework, such as policymakers and those involved in preparing GHG inventories, developing and implementing mitigation measures, conducting V&A assessments, designing and implementing adaptation measures, designing and implementing CDM project activities, modelling, and developing databases
	<ul style="list-style-type: none"> • Enhancing the analytical capacity of experts, policymakers and decision makers 	
	<ul style="list-style-type: none"> • Improving the negotiation skills of, and increasing the number of, representatives at international meetings to address the main topics discussed 	<ul style="list-style-type: none"> • Improving the negotiation skills of, and increasing the number of, representatives at international meetings
	<ul style="list-style-type: none"> • Capacity in technology transfer, negotiation and management, specifically relating to the CDM 	<ul style="list-style-type: none"> • Capacity in technology transfer, negotiation and management, specifically relating to the CDM
	<ul style="list-style-type: none"> • Enhancing capacity to prepare projects and programmes in the area of climate change 	<ul style="list-style-type: none"> • Enhancing capacity to design projects and programmes in the area of climate change, specifically relating to adaptation measures and the CDM
	<ul style="list-style-type: none"> • Building the capacity of a wide range of stakeholders, including governments, non-governmental organizations, the private sector, academia and local communities 	<ul style="list-style-type: none"> • Building the capacity of a wide range of stakeholders, including governments, non-governmental organizations, the private sector, academia and local communities

Examples of activities implemented by the secretariat in support of the implementation of the capacity-building framework

Category	Activity/programme	Purpose/target of activity
(a) Address special needs of least developed countries	Thirteenth meeting of the Least Developed Countries Expert Group, in Sana'a, Yemen, in April 2008	To develop a work programme for 2008–2010
(b) Support adaptation	UNFCCC expert meeting on technologies for adaptation to climate change, in Bangkok, Thailand, in April 2008	To identify the next steps that could be taken to continue previous work on technologies for adaptation and provide input to the Nairobi work programme on impacts, vulnerability and adaptation to climate change
(c) Education, training and public awareness	Development and maintenance of CC:iNet, the information network clearing house	To facilitate access to public information, education and training in climate change and to help governments, organizations and individuals gain rapid and easy access to ideas, strategies, contacts, experts and materials that can be used to motivate and empower them to take effective action on climate change
(d) Support technology transfer	Training of trainers workshop on preparing technology transfer projects for financing, in Vienna, Austria, in October 2008	To enhance the capacity of project developers in developing countries to prepare project proposals that will meet the standards of international financial providers
(e) Support national communications from Parties not included in Annex I to the Convention	South-East Asia regional capacity-building workshop on sustainable national greenhouse gas inventory management systems, in Singapore City, Singapore, in April 2008	To launch the first set of activities planned for 2008 on sustainable greenhouse gas inventory management systems in South-East Asia, identifying areas for inventory improvement and training inventory experts
(f) Capacity-building in support of the clean development mechanism	Fifth meeting of the Designated National Authorities Forum, in Bonn, Germany, in April 2008	To build the capacity of designated national authorities through the exchange of experiences and lessons learned

Annex VIII

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Examples of climate change capacity-building activities supported by multilateral organizations

1. African Development Bank (AfDB): The Climate Risk Management and Adaptation Strategy “assist[s] African countries to strengthen their capacities to respond effectively to the risks, threats and opportunities (if any) posed by climate change, variability and extremes – to protect communities; sustain economic growth, development and poverty reduction; and protect critical natural resources and ecosystems”.¹ In addition, since 2004 AfDB has partnered with the Government of the Netherlands to execute the Financing Energy Services for Small-Scale Energy Users initiative, which “helps countries formulate policy and regulatory frameworks and build capacity to develop investment projects in renewable energy and energy efficiency”.²
2. Asian Development Bank (ADB): The Energy Efficiency Initiative of the ADB includes USD 250 million for activities including institutional capacity-building and advocacy. Its Carbon Market Initiative (CMI) builds capacity by co-financing the development of greenhouse gas mitigation projects. CMI provides experts for technical advice on project development and implementation, documentation and capacity-building. It also offers developing member countries marketing support for their carbon credits to be sold in the global carbon market.³
3. Food and Agriculture Organization of the United Nations: The Improved Adaptive Capacity to Climate Change for Sustainable Livelihoods in the Agriculture Sector project is designed to improve the adaptive capacities of rural populations and their resilience to drought and other climate change impacts. It also aims to inform service providers and policymakers to improve support for future adaptation processes. The project promotes institutional and technical capacity-building within key agencies and among farmer associations/groups for the demand-responsive services needed by farmers to better adapt to climate change. The project relies on participatory extension, including demonstrations, orientation meetings, field days, farmer field schools and community rallies.⁴

¹ <<http://www.afdb.org/en/topics-sectors/sectors/climate-change-mitigation/>>.

² AfDB. 2008. *The African Development Bank and Climate Change in Africa*. Presentation by Yogesh Vyas in Poznan, Poland, on 7 December 2008.

³ ADB. *Carbon Market Initiative*. Brochure. Available at <<http://www.adb.org/Documents/Climate-Change/CMI-Brochure.pdf>>.

⁴ Food and Agriculture Organization of the United Nations. 2008. *Community Based Adaptation in Action. A case study from Bangladesh. Project Summary Report (Phase I), Improved Adaptive Capacity to Climate Change for Sustainable Livelihoods in the Agriculture Sector*. Available at <<http://www.fao.org/docrep/010/i0481e/i0481e00.htm>>.

4. United Nations Industrial Development Organization (UNIDO): The capacity-building in energy efficiency and advisory services of UNIDO include: (a) providing train-the-trainer interventions, with the objective of transferring to national specialists the knowledge and skills required to enable them to improve the efficiency of industrial energy systems; (b) providing training on financing aspects of energy-efficiency investments to enable trained experts to commercially market their services to industrial clients; (c) raising awareness of the importance of life-cycle costing in energy-efficiency analysis, demonstrating that over their working life motor and steam boiler systems consume energy and fuel costing far more than the initial capital investment for the system; and (d) providing assistance in promoting the necessary financing for and investment in energy efficiency at the national and industry levels.⁵

⁵ Global Environment Facility Evaluation Office. 2008. *Annual Country Portfolio Evaluation Report 2008: Benin, Madagascar and South Africa*. Available at <http://www.thegef.org/uploadedFiles/Publications-ACPE_Report2008.pdf>.

Annex IX

[ENGLISH ONLY]

Examples of capacity-building activities funded and supported by Parties included in Annex II to the Convention

1. European Community

1. The European Community (EC) provides support for capacity-building at the individual, institutional and systemic levels. The EC has provided support for numerous initiatives and projects that contribute to various aspects of the capacity-building framework. "The main capacity-building needs addressed through EU projects respond to the needs identified in the annex to decision 2/CP.7: (a) technical capacity; (b) research and systematic observation; (c) vulnerability and adaptation assessment; (d) integration of adaptation responses into national development strategies; (e) the clean development mechanism; and (f) education and raising awareness.¹

2. France, on behalf of the EC and its member States, provided a summary in document FCCC/SBI/2008/MISC.5 of activities to implement the capacity-building framework in developing countries under decision 2/CP.7.²

2. Japan

3. Japan has provided support for the following activities, which support the capacity-building framework: (a) capacity-building programmes for energy conservation (at the systemic, institutional and individual levels); (b) the master plan for rural electrification by photovoltaic panels in Nigeria (institutional and individual levels); and (c) grid data collection for the clean development mechanism (CDM) (institutional level).³

3. The United States of America

4. The United States of America supports numerous capacity-building activities which contribute to the implementation of the capacity-building framework under the Convention at the systemic, institutional and individual levels. Based on the United States experience, the following lessons and conclusions have been identified:

- (a) For lasting results, projects must include training components so that host country nationals will be able to manage and maintain the projects;
- (b) Leveraging works best when all donor partners are present at all stages of a project, from its definition and design through to its implementation;
- (c) Projects that are developed jointly by several organizations must be housed with one specific organization.⁴

4. Australia

5. Australia has allocated 200 million Australian dollars over the past five years to its International Forest Carbon Initiative (IFCI), focusing on Indonesia and Papua New Guinea. In Indonesia, the IFCI is operating in three key areas: strategic policy dialogue on climate change; increasing Indonesia's carbon-accounting capacity; and identifying and implementing incentive-based demonstration activities. In Papua New Guinea, Australia's initial efforts include technical, scientific and analytical support for the design of Papua New Guinea's carbon monitoring and accounting systems.

¹ FCCC/SBI/2007/MISC.8.

² FCCC/SBI/2008/MISC.5.

³ FCCC/SBI/2007/MISC.8.

⁴ FCCC/SBI/2007/MISC.8.

5. Specific examples of climate change capacity-building activities supported and implemented by countries included in Annex II to the Convention⁵

6. Climate Change Capacity Development (C3D) (EC and Ireland): The objective of this project is to improve the ability of developing countries to address climate change by developing adaptation measures and planning mitigation strategies.
7. CARBOAFRICA (EC): The overarching goal of this project is to set up a first attempt at a greenhouse gas (GHG) flux monitoring network in Africa, in order to quantify and predict, by a multidisciplinary integrated approach, GHG emissions in sub-Saharan Africa and their associated spatial and temporal variability.
8. PAN-AMAZONIA (EC): This project encompasses three integrated scientific networks and is designed to bring together separate research efforts across the Amazon Basin in relation to global change and the function of tropical forest ecosystems.
9. International dialogues on the post-2012 regime (EC): The EC is supporting Globe International in its G8+5 Climate Change Dialogue.
10. Sustainable management of resources of small and medium-sized enterprises (SMEs) in Nicaragua (Austria): Activities include the promotion of environmentally sound technologies (e.g. solar energy), training sessions, pilot projects and cleaner production education of SMEs in the food and tourism sector. The aim is to support/collaborate with national institutions, integrating local know-how.
11. Grid data collection for the CDM (Japan): The Institute for Global Environmental Strategies, supported by Japan's Ministry of the Environment, conducted grid data calculation in Phnom Penh City jointly with the Cambodian designated national authority as part of the Integrated Capacity Strengthening for the CDM. Support from the power sector and other relevant authorities was crucial to the collection of the data and the construction of the baseline.
12. GHG inventory capacity-building (United States): In partnership with the seven nations of Central America, the United States has implemented a three-year, comprehensive programme to improve the quality and sustainability of national GHG inventories in the region. The project has focused on developing long-term national inventory management systems, improving the methods and data used in the agriculture and the land-use change and forestry sectors, and training regional experts.
13. Integrated Environmental Strategies (United States): This programme engages developing countries to build support for integrated planning, including at the national level, to address both local environmental concerns and global GHG emissions. The programme promotes the analysis of and local support for implementation of clean energy technology policies and measures, with multiple public health, economic and environmental benefits. Current developing country partners include China and India.
14. Harmonized Emissions Analysis Tool (HEAT) (United States): Local Governments for Sustainability developed the HEAT online software to support local GHG and air pollution emission reduction planning. This software provides capacity to local governments to try to reduce GHG emissions on the basis of sound governance, economic development, improved waste management, energy efficiency, better urban mobility and better air quality. The United States supported the dissemination of HEAT in Brazil, India, Indonesia and South Africa via training sessions as well as a training manual.

⁵ FCCC/SBI/2007/MISC.8 and FCCC/SBI/2008/MISC.5.

15. Pacific Islands Climate Prediction Project (Australia): The Australian Bureau of Meteorology is working with climate-dependent industries and government agencies in ten Pacific countries on tailored long-range (three- to six-month) climate predictions. Its support will assist water resource managers to plan for expected rainfall shortages and to increase water storage capacity in appropriate areas.

16. Climate Change Research Partnerships (Australia): Australia has provided and will continue to provide Australian Development Research Awards to support research aimed at building the capacity of developing countries to effectively respond to the impacts of climate change.

Coverage of the priorities of the capacity-building framework under the Convention

	Priority	Project/programme/initiative (supporting organization)
(a)	Institutional capacity-building, including the strengthening or establishment, as appropriate, of national climate change secretariats or national focal points	Capacity development for the clean development mechanism – CD4CDM (United Nations Environment Programme (UNEP)), Country Support Programme (Global Environment Facility (GEF), United Nations Development Programme (UNDP)), Energy Efficiency Initiative – EEI (Asian Development Bank (ADB)), Africa Carbon Forum, the African DNA Forum, the Ibero-American Network of Climate Change Offices (RIOCC)
(b)	Enhancement and/or creation of an enabling environment	Global Support Programme (GEF, UNDP), Climate Change Capacity Development – C3D (United Nations Institute for Training and Research (UNITAR)), National Capacity Self-Assessment (GEF), Capacity Development for Policy Makers to Address Climate Change and undertake investment and financial flows (UNDP)
(c)	National communications	National Communications Support Programme – NCSP (GEF, UNDP and UNEP)
(d)	National climate change programmes	National Capacity Self-Assessments (GEF, UNDP), Key Sectors National Capacity Strengthening (UNDP), Capacity Development for Adaptation to Climate Change and Greenhouse Gases Mitigation in Non-Annex I Countries – C3D+ (UNITAR), Adaptation programme in Africa (UNDP), Capacity Development for Policy Makers to Address Climate Change (UNDP)
(e)	Greenhouse gas inventories, emission database management and systems for collecting, managing and utilizing activity data and emission factors	Greenhouse Gas Inventory Capacity-building (United States of America), Greenhouse Gas methodology (European Bank for Reconstruction and Development (EBRD)), CARBOAFRICA (European Community (EC)), NCSP (GEF, UNDP and UNEP)
(f)	Vulnerability and adaptation assessment	National adaptation programmes of action – NAPAs (GEF, UNDP, UNEP), Assessments of Impacts and Adaptations to Climate Change – AIACC (UNEP), Climate Risk Management and Adaptation Strategy – CRMA (African Development Bank (AfDB)), NCSP (GEF, UNDP and UNEP)
(g)	Capacity-building for the implementation of adaptation measures	Strategic Priority on Adaptation (GEF), Least Developed Countries Fund – LDCF (GEF, UNDP, UNEP), Special Climate Change Fund – SCCF (GEF), Small Grants Programme – SGP (GEF, UNDP), AIACC (UNEP), Adaptation Learning Mechanism – ALM (GEF, UNDP, UNEP, World Bank, UNFCCC secretariat), CRMA (AfDB), Agriculture Adaptive Capacity (Food and Agriculture Organisation of the United Nations (FAO)), Advancing Capacity to Support Climate Change Adaptation – ACCCA (UNITAR), Climate Change and Development – Adapting by Reducing Vulnerability – CC-DARE (UNDP and UNEP), Adaptation Programme in Africa (UNDP)
(h)	Assessments for the implementation of mitigation options	GEF full-sized and medium-sized projects (GEF), Energy Services for Small-Scale Users (AfDB), Carbon Market Initiative – CMI (ADB), NCSP (GEF, UNDP and UNEP)
(i)	Research and systematic observation,	AIACC (UNEP)

	Priority	Project/programme/initiative (supporting organization)
	including meteorological, hydrological and climatological services	
(j)	Development and transfer of technology	GEF full-sized and medium-sized projects (GEF), Advisory services (UNIDO), technology needs assessments – TNAs (GEF, UNDP and UNEP), NCSP (GEF, UNDP and UNEP)
(k)	Improved decision-making, including assistance for participation in international negotiations	Negotiator Preparatory Workshops (UNEP, UNFCCC secretariat), Capacity Development for Policy Makers to Address Climate Change (UNDP), C3D+ (UNITAR), G8+5 Climate Change Dialogue (Global Legislators Organisation for a Balanced Environment (GLOBE International), EC)
(l)	Clean development mechanism (CDM)	CD4CDM (UNEP), Carbon Finance for Sustainable Energy in Africa – CF-SEA (UNEP, World Bank), CDM Bazaar (UNEP, UNFCCC secretariat), Carbon Finance Assist – CF-Assist (World Bank), CMI (ADB), CDM Capacity Development Programme (UNDP)
(m)	Needs arising from the implementation of Article 4, paragraphs 8 and 9, of the Convention	SCCF (GEF), LDCF (GEF), CD4CDM (UNEP), CF-SEA (UNEP, World Bank), NAPAs (GEF, UNDP and UNEP)
(n)	Education, training and public awareness	C3D (UNITAR), SGP (GEF, UNDP), CD4CDM (UNEP), Article 6 CD (UNEP), Many Strong Voices – MSV (UNEP), Agriculture Adaptive Capacity (FAO), ACCCA (UNITAR), ALM (GEF, UNDP, UNEP, World Bank, UNFCCC secretariat)
(o)	Information and networking, including the establishment of databases	CDM Bazaar (UNEP, UNFCCC secretariat), PAN-AMAZONIA (EC), ALM (GEF, UNDP, UNEP, World Bank, UNFCCC secretariat), Climate Community Knowledge Platform (UNDP)

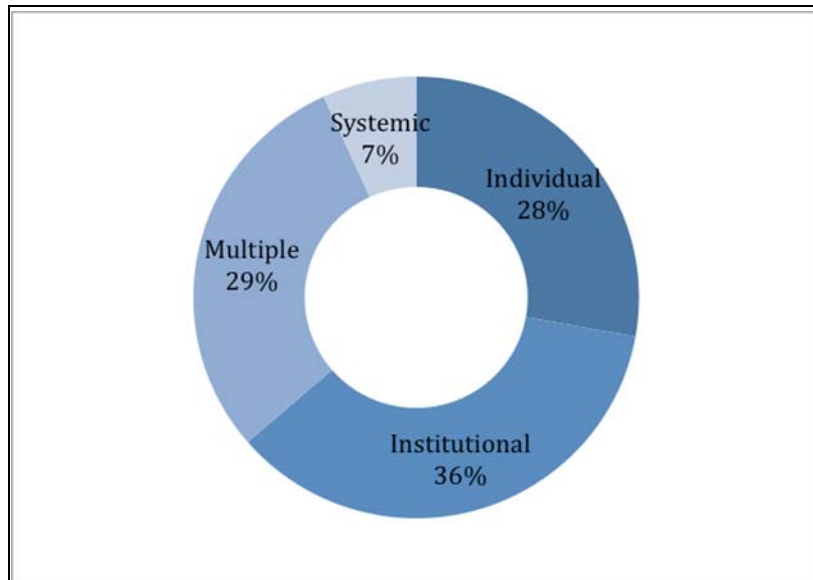
Coverage of the priorities of the capacity-building framework under the Kyoto Protocol

	Priority	Project/programme/initiative (supporting organization)
(a)	Institutional capacity-building to assist developing countries in establishing and strengthening designated national authorities	Capacity development for the clean development mechanism – CD4CDM (United Nations Environment Programme (UNEP)), Carbon Finance Assist – CF-Assist (World Bank), Country Support Programme (Global Environment Facility (GEF), United Nations Development Programme (UNDP)), Clean Development Mechanism Capacity Development Programme (UNDP)
(b)	Increasing awareness, training and networking for the development of skills relating to the clean development mechanism (CDM) project cycle	CD4CDM (UNEP), GEF full-sized and medium-sized projects (GEF), CF-Assist (World Bank), CDM Capacity Development Programme (UNDP)
(c)	Supporting and facilitating communication, cooperation and networking between CDM actors	CD4CDM (UNEP), CF-Assist (World Bank), CDM Capacity Development Programme (UNDP)
(d)	Providing support for broader participation in the CDM, including participation in designated national authorities forums related to the Kyoto Protocol	CD4CDM (UNEP), CF-Assist (World Bank), Negotiator Preparatory Workshops (UNEP, UNFCCC secretariat), G8+5 Climate Change Dialogue (Global Legislators Organisation for a Balanced Environment (GLOBE International)), European Community, CDM Capacity Development Programme (UNDP)
(e)	Improving geographical distribution by supporting the development of CDM projects in the least developed countries and small island developing States, through training, CDM market analysis and forums	CDM Capacity Development Programme (UNDP), Millennium Development Goals Carbon Facility (UNDP), CD4CDM (UNEP), CF-Assist (World Bank)
(f)	Enhancing capacity to formulate mitigation activities and policies and to integrate them with other policy instruments within the framework of sustainable development	CD4CDM (UNEP), GEF full-sized and medium-sized projects (GEF), Least Developed Countries Fund (GEF, UNDP, UNEP), Climate Change Capacity Development (United Nations Institute for Training and Research), CDM Capacity Development Programme (UNDP)

Annex XII

[ENGLISH ONLY]

Capacity-building activities in developing countries by level of implementation



Results of the national capacity self-assessment programme¹

1. The results of the national capacity self-assessment (NCSA) programme:
 - (a) Identification of baseline of national capacities to comply with multilateral environmental agreements (MEAs);
 - (b) Identification of systemic capacity constraints;
 - (c) Building of capacity through the NCSA process: skills developed in adaptation and use of capacity assessment methodologies and tools, coordination and facilitation, strategic planning, and project design;
 - (d) Systematic development of national strategy to address capacity constraints;
 - (e) Development of concepts for future capacity-building actions;
 - (f) Securing of high-level political commitment;
 - (g) Development of mechanisms for multi-stakeholder participation;
 - (h) Increase of awareness and knowledge of MEAs;
 - (i) Increase of knowledge of capacity-building at systemic level;
 - (j) Encouragement to integrate environmental issues into economic and social development policies;
 - (k) Use of NCSA to build capacity to initiate a national capacity-building system or programme.
2. The challenges of the NCSA experience:
 - (a) The process is complex and novel;
 - (b) Numerous bureaucratic and 'territorial' obstacles have to be addressed;
 - (c) Political instability hinders the process;
 - (d) Guidance available to NCSA projects was limited;
 - (e) Start-up of the NCSA Support Programme was much delayed;
 - (f) Individual NCSA project documents were not well developed;
 - (g) The possible objectives and targets (and indicators) of capacity-building are not well thought through or explained;
 - (h) Inadequate time is allowed for the process, especially the participation of stakeholders;
 - (i) Skilled individuals to conduct the NCSA analysis and planning are in short supply;
 - (j) Awareness of the MEAs and capacity needs for environmental management is limited;

¹ UNDP/UNEP/GEF. 2005. *Capacity Development for Environmental Management. 2005 Report*. Available at <<http://ncca.undp.org/docs/203.pdf>>.

- (k) There is an over-readiness to use consultants rather than train project team members;
- (l) Information required for the review, assessment and planning is inaccessible or unavailable;
- (m) Agencies and individuals are reluctant to share information and skills;
- (n) Opportunities to exchange experiences and lessons among countries are limited;
- (o) Opportunities and financing for NCSA follow-up activities are unclear and limited.

Highlights of the World Bank Carbon Finance Assist programme 2007–2008¹

1. Over the period 2007–2008, the Carbon Finance Assist programme (CF-Assist) involved 50 countries, with five new countries added during that period. Special focus was on sub-Saharan Africa where several programmes have been established.
2. CF-Assist worked on project portfolio development as a top priority, contributing to the identification of over 260 clean development mechanism (CDM) projects (e.g. Project Design Documents, Project Idea Notes and Concepts) in 16 countries and facilitating their participation in the carbon market.
3. CF-Assist facilitated the participation of 45 countries in Carbon Expo 2007, in order to increase the countries' knowledge on the current market developments.
4. CF-Assist delivered regional carbon forums in Latin America, the Carbon Forum in Peru, the Central Asia Carbon Forum in Uzbekistan and the Carbon Conclave in India.
5. Focusing on the financial sector, CF-Assist hosted two carbon investment forums in South Africa and Senegal, covering the southern African and west African regions, respectively.
6. Over 5000 people benefitted from training and exposure provided by CF-Assist events, including training programmes and global and regional events.
7. CF-Assist helped establish three new designated national authorities (in Botswana, Gambia and the Syrian Arab Republic) and provided institutional support in another 10 countries. CF-Assist also built up the capacities of financial intermediaries in eight countries.
8. CF-Assist promoted innovative market instruments such as the CDM Fund in China. The Sellers Funds in Argentina and Mexico became operational during this period. Cambodia also developed a framework to set up a carbon fund under the CF-Assist programme.
9. CF-Assist contributed to the Nairobi Framework partnership and helped develop a joint proposal for future activities. CF-Assist also held a consultation at the third session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol held in Bali, Indonesia, and actively participated in the organization of the Africa Carbon Forum scheduled for September 2008.
10. CF-Assist has launched the development of a comprehensive knowledge management package using multimedia tools, which will be used in e-courses, virtual training programmes, online interactions, etc. The first product of the package was demonstrated at Carbon Expo 2008. CF-Assist also collaborated with the Inter-American Development Bank to initiate building a Spanish platform for knowledge management.

¹ World Bank Institute. 2008. *Carbon Finance Assist. 2008 Annual Report. Capacity-building for low-carbon development*. Available at <http://siteresources.worldbank.org/INTCARFINASS/Resources/CFAssistReportFinal06182008.pdf>.

Examples of results of capacity-building in developing countries

1. Integration of capacity-building in one sector at all decision levels. For example, Bolivia developed courses for departmental and district education authorities and training modules for teachers, which had a cascading effect from the highest decision level down to the classrooms, strengthened climate change awareness and identified adaptation and mitigation measures.
2. Creation and/or strengthening of climate change consultative groups. For example, El Salvador established a climate change consultative group composed of six ministries, two universities, three representatives from the private sector, one non-governmental organization and two United Nations organizations.
3. Creation and/or strengthening of the designated national authorities (DNAs) and other relevant stakeholders for the development of clean development mechanism (CDM) studies and methodological tools and for engaging with the CDM project establishment to develop CDM project pipelines. For example, Peru established its DNA and 15 CDM projects are now registered, while Mauritius is now implementing its first CDM project.
4. Creation of specific climate change courses at universities. For example, Trinidad and Tobago established an undergraduate course on management of climate change impacts at the University of the West Indies.
5. Enhancement of individual capacities in relevant line-ministries and strengthening of coordination between line-ministries; for example, in the case of Malawi's Strategic Framework Programme for Adaptation and the associated 'basket fund'.
6. The Assessments of Impacts and Adaptations to Climate Change (AIACC) project of the United Nations Environment Programme contributed capacity-building results at the individual level through various approaches:
 - (a) Capacity for scientific/technical vulnerability and adaptation assessment:
 - (i) More than 300 scientists/stakeholders and more than 60 students in 46 developing countries have benefitted from learning-by-doing and training activities;
 - (ii) More than 100 early career scientists and experts were trained at AIACC training workshops;
 - (b) Capacity to engage with stakeholders and formulate adaptation strategies and policies: established networks that link science and stakeholder institutions from 62 countries;
 - (c) Stakeholder knowledge and awareness: numerous local workshops with stakeholders;
 - (d) South–South capacity transfers: AIACC participants have conducted several successful South–South capacity transfer activities.¹

¹ United Nations Environment Programme. 2008. *The AIACC Project: Assessments of Impacts and Adaptations to Climate Change*. Presentation. Available at <http://www.unep.org/themes/climatechange/docs/Lessons%20from%20UNEP%20GEF%20portfolio.ppt>.

7. The Climate Change Capacity Development (C3D) project of the United Nations Institute for Training and Research also address capacity-building at the individual level: Specifically, the targets of approximately 500 direct beneficiaries of C3D training, 1500 indirect beneficiaries (through distribution of workshop reports, training materials and publications) and a minimum of six workshops established in the initial grant proposal have been either met or exceeded.

8. In many developing countries, capacity-building activities involve the training of experts from government institutions as well as from the private sector, non-governmental organizations and civil society. For example, in Haiti, a pool of executives to the Office of Mines and Energy and in the Faculty of Agronomy has been trained in conducting vulnerability and adaptation assessments, in preparing greenhouse gas inventories and in developing mitigation measures.

Annex XVI

[ENGLISH ONLY]

A sample of sources and amounts of funding for climate change capacity-building activities

Project/programme	Amount of funding	Source of funding	Implemented by	Time frame	Objective/focus
Global Environment Facility (GEF) climate change focal area (including full-sized and medium-sized projects, National Communications Support Programme and other enabling activities) ¹	USD 832.4 million ²	GEF donor countries	Implementing agencies of the GEF	Jul 2004–Aug 2008	Climate change mitigation: reducing or avoiding greenhouse gas emissions in the areas of renewable energy, energy efficiency and sustainable transport Climate change adaptation: aiming at increasing the resilience to the adverse impacts of climate change of vulnerable countries, sectors and communities
Least Developed Countries Fund (LDCF)	USD 172 million	Donors from Parties included in Annex I to the Convention (Annex I Parties)	Implementing agencies of the GEF	2001–present	Addresses the extreme vulnerability and limited adaptive capacity of the least developed countries. The LDCF initially supported the preparation of national adaptation programmes of action
Special Climate Change Fund	USD 91 million	Donors from Annex I Parties	Implementing agencies of the GEF	2004–2008	Supports: (a) adaptation; (b) technology transfer; (c) energy, transport, industry, agriculture, forestry and waste management; and (d) economic diversification
Capacity development for the clean development mechanism (CD4CDM)	USD 4.7 million	Government of the Netherlands	United Nations Environment Programme (UNEP) Risoe Centre	2005–2008	The project aims to: (a) generate in participating developing countries a broad understanding of the opportunities offered by the clean development mechanism (CDM); and (b) develop the necessary institutional and human capabilities to allow them to formulate and implement projects under the CDM
Community-Based Adaptation	USD 7 million	Donors from Annex I Parties	GEF and United Nations Development Programme (UNDP)	Feb 2008–Feb 2011	Supports the increasing resilience of communities to manage the threats posed by climate change to key ecosystems
Adaptation programme in Africa	USD 92 million	Government of Japan	UNDP	Dec 2008–Dec 2011	Helps 21 African countries to adjust their national development processes to incorporate climate change risks/opportunities. One of the key outcomes is building leadership

¹ See FCCC/CP/2008/2/Rev.1, FCCC/CP/2007/3, FCCC/CP/2006/3 and FCCC/CP/2005/3.

² Note: Approximately USD 960 million was allocated for the GEF climate change focal area in the fourth replenishment of the GEF, to be implemented from November 2006 to June 2010.

Project/programme	Amount of funding	Source of funding	Implemented by	Time frame	Objective/focus
					capacities and developing institutional frameworks to manage climate change risks/opportunities
Capacity development for CDM in Latin America, sub-Saharan Africa, Eastern Europe and Central Asia	USD 11.5 million	Governments of Finland, Japan, Spain and Sweden	UNDP	2007–2011	Aims to: build the capacity of participating countries to engage with the global carbon market, particularly the CDM; build institutional capacity; raise awareness of CDM opportunities; and catalyse the development of CDM project pipelines in under-developed carbon markets
CD4CDM follow-on	Approx. USD 5 million	United Nations Foundation, Governments of Denmark, France, Spain and Sweden	UNEP Risoe Centre	2008–2009	See CD4CDM above
UNFCCC regional preparatory workshops ³	USD 4.4 million	Governments of Denmark, Finland, Germany and Norway	UNEP and UNFCCC secretariat	2007, 2008 and 2009	The overall goal of the project is to bring to the fore the pertinent issues from the process of the UNFCCC that will assist the Parties to articulate and/or refine their national and, wherever possible, regional policy positions with regard to specific building blocks of the Bali Road Map, particular agenda items of the Conference of the Parties/Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol and sessions of the Ad Hoc Working Group on Long-term Cooperative Action under the Convention and the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol
Capacity-building under Article 6 of the Convention (Education, training and public awareness)	USD 0.9 million	Government of Norway	UNEP	2004–2007	Focuses on: national climate outreach campaigns; capacity-building for civil society; regional workshops on climate outreach; and graphic and information materials.
Climate Change and Development – Adapting by Reducing Vulnerability	USD 9 million	Government of Denmark	UNDP and UNEP	2008 to present	The emphasis is on short-term (three- to six-month) initiatives and products that contribute towards addressing key gaps in national climate change adaptation.

³ UNEP. 2008. *UNEP 2008 Annual Report*. Available at http://www.unep.org/PDF/AnnualReport/2008/AnnualReport2008_en_web.pdf.

Project/programme	Amount of funding	Source of funding	Implemented by	Time frame	Objective/focus
Capacity Development for Policy Makers to Address Climate Change	USD 7 million	United Nations Foundation, UNDP, Governments of Finland, Norway, Spain and Switzerland	UNDP	2008–2010	Aims to strengthen the national capacity of up to 20 developing countries to assess the magnitude of the efforts that will be required to address climate change and to position themselves and develop policy options for addressing climate change across different sectors and economic activities.
Addressing climate change in Latin America and the Caribbean	USD 9.8 million	Government of Spain	UNDP	2009–2011	Will assist countries to meet their commitments under the Convention, enhance their capacities to engage effectively in negotiations on a post-2012 regime and access resources from the Adaptation Fund.
Carbon Finance Assist (CF-A) ⁴	USD 13.4 million + USD 6 million (Japan Policy and Human Resources Development Fund)	Annex I Party governments	World Bank	2005–2008	CF-A's basic objective is to ensure that developing countries and the countries with economies in transition are able to fully participate in the flexible mechanisms defined under the Kyoto Protocol.
Asian Development Bank (ADB) Energy Efficiency Initiative	USD 250 million	ADB donors	ADB	2005–2008	A financing facility with a targeted size of USD 250 million helps fund the Energy Efficiency Initiative activities in the areas of: (a) smaller energy efficiency investments; (b) technology costs; and (c) grant assistance for activities such as advocacy, institutional capacity-building, project preparation and the establishment of the monitoring and evaluation mechanisms of the ADB.
Climate Change Capacity Development ⁵	USD 4.1 million	EuropeAid, Irish Aid, Danida and the Swiss Federal Office for the Environment	United Nations Institute for Training and Research (UNITAR)	2003–2008	This project addresses capacity needs for climate change in developing countries through an innovative training and capacity-building partnership as stated in decision 2/CP.7.
Advancing Capacity for Climate Change ⁶	GBP 450,000	Department for Environment, Food and	UNITAR	2007–2010	Each subproject aims to have practical outcomes for understanding impacts, reducing vulnerability or delivering adaptation. Each project also aims to

⁴ World Bank Institute. 2008. *Carbon Finance Assist. 2008 Annual Report. Capacity-building for low-carbon development*. Available at <http://siteresources.worldbank.org/INTCARFINASS/Resources/CFAssistReportFinal06182008.pdf>.

⁵ <http://www.c3d-unitar.org/?q=node/1>.

Project/programme	Amount of funding	Source of funding	Implemented by	Time frame	Objective/focus
		Rural Affairs of the United Kingdom and European Community			enhance capacity in the host countries to predict climate change impacts and manage adaptation projects.
United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (UN-REDD)	USD 52.2 million (planned)	Government of Norway	UNDP, the Food and Agriculture Organization of the United Nations and UNEP	2008–2010	UN-REDD focuses on two areas of work: country actions and international support. Country actions will assist developing countries to prepare and implement national REDD strategies and mechanisms. The prime objective of the international support function is to stimulate and contribute to international discussions on a post-2012 REDD regime.
UNDP-Spain MDG Achievement Fund – environment and climate change window	USD 89.5 million	Government of Spain	UNDP	2007–2010	The MDG Achievement Fund seeks to reduce poverty and vulnerability in eligible countries by supporting interventions that improve environmental management and service delivery at the national and local levels, increase access to new financing mechanisms and enhance capacity to adapt to climate change.

⁶ FCCC/SBI/2008/MISC.5. See also <<http://www.acccaproject.org>>.

Annex XVII

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