

**OPERATIONAL GUIDELINES FOR
EXPEDITED FINANCING OF INITIAL COMMUNICATION FROM NON-ANNEX I PARTIES**

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INTRODUCTION

1. The second session of the Conference of the Parties to the Framework Convention on Climate Change has issued guidelines for the preparation of initial communications by Parties not included in Annex-1 to the Convention. These guidelines form the basis for the following operational guidelines for the expedited financing by the Global Environment Facility of initial national communications. These operational guidelines replace the earlier Operational Criteria for Enabling Activities: Climate Change.

CONVENTION GUIDANCE

2. Article 12.1 of the UN Framework Convention on Climate Change (FCCC) requires that each Party, in accordance with Article 4.1, shall communicate to the Conference of the Parties, through the Convention Secretariat, the following elements of information:

"(a) A national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, to the extent its capacities permit, using comparable methodologies to be promoted and agreed upon by the Conference of the Parties;

(b) A general description of steps taken or envisaged by the Party to implement the Convention; and

(c) Any other information that the Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication, including, if feasible, material relevant for calculations of global emission trends".

3. Article 12.5 of the Convention specifies the timing of the submission of these national communications. Each Party not listed in Annex-1. . .

". . . shall make its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3. Parties that are least developed countries may make their initial communication at their discretion. The frequency of subsequent communications by all Parties shall be determined by the Conference of the Parties, taking into account the differentiated timetable set by this paragraph".

4. Article 4.3 of the FCCC provides that the *agreed full costs* for the preparation of national communications of Non-Annex-1 Parties are to be met:

"The developed country Parties and other developed Parties included in Annex II shall provide new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12.1".

5. The first Conference of the Parties (COP-1) to the FCCC, requested the Global Environment Facility (GEF), the entity operating the financial mechanism of the FCCC on an interim basis, to give priority to the support of national communications:

"Priority should be given to the funding of agreed full costs (or agreed full incremental costs, as appropriate) incurred by developing country Parties in complying with their obligations under Article 12.1 and other relevant commitments under the Convention."

6. At its second meeting, the Conference of the Parties (COP-2) adopted detailed guidelines for the content of national communications from non-Annex-1 Parties. These guidelines are to be followed in the preparation of national communications from non-Annex-1 Parties funded by the GEF, and form the basis for the following:

Enabling Activities and National Communications

7. The present document sets out operational guidelines for financing by the GEF of activities related to the preparation of initial national communications to the FCCC by non-Annex-1 Parties. Enabling activities not related to national communications are not addressed in these operational guidelines. They include measures like planning and capacity building, including institutional strengthening, training, public participation and targeted research, that complement other activities necessary for the success of response measures. Financing for these activities is available through the normal procedures for GEF financing.

Content of Initial National Communications

8. National communications are to be submitted within three years of entry into force of the Convention for that Party or of the availability of financial resources in accordance with Article 4.3.

9. In accordance with the guidelines approved by the Second Conference of the Parties, the national communications are to contain the following five sections: 1). National Circumstances; 2). Inventory; 3). General Description of Steps; 4). Other Information including Financial and Technological Needs and Constraints; and 5). Executive Summary. Annex A reproduces these guidelines, which are summarized below.

1. National circumstances

10. Non-Annex I Parties should specify their national and regional development priorities, objectives and circumstances on the basis of which they will address climate change and its adverse impacts. In addition to information which can be conveniently presented in a table (see Table I, Annex A), Parties may present basic economic, geographic and climatic information, which may affect their ability to deal with climate change.

11. Parties may provide a brief description of existing institutional arrangements which are relevant to the preparation of the inventory on a continuing basis, or a list of perceived deficiencies in this area. Parties may also present information on their specific needs and

concerns arising from the adverse effects of climate change and/or the impact of the implementation of response measures.

2. Inventory

12. Using *Guidelines for the National Greenhouse Gas Inventories* or the simplified default methodologies adopted by the Intergovernmental Panel on Climate Change (IPCC), Non-Annex I Parties, should provide the best available information for 1994 (or 1990) on the following greenhouse gases: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), to the extent the Party's capacities permit (see Table II, Annex A). Other greenhouse gases included in the IPCC methodology may be included at the discretion of the Parties.

13. Parties should try to identify the areas where the data may be further improved in future communications through national capacity building. For those activities where emissions depend on local circumstances, Parties should make efforts to obtain field observation data to decrease the uncertainties associated with the inventory of these emissions.

14. Non-Annex I Parties are thus encouraged to formulate cost-effective national programs aimed at the improvement of the quality of local emission factors and appropriate data gathering, and to submit requests for financial and technical assistance to the interim operating entity of the financial mechanism of the Convention in addition to their request for support for the preparation of their initial communications.

3. General description of steps

15. The initial communication should seek to include, as appropriate:

- (a) Programs related to sustainable development, research and systematic observation, education and public awareness, training, etc.;
- (b) Policy options for adequate monitoring systems and response strategies for climate change impacts on terrestrial and marine ecosystems;
- (c) Policy frameworks for implementing adaptation measures and response strategies in the context of coastal zone management, disaster preparedness, agriculture, fisheries, and forestry, with a view to integrating climate change impact information, as appropriate, into national planning processes;
- (d) In the context of undertaking national communications, building of national capacity to integrate climate change concerns in medium and long-term planning; and
- (e) Programs containing measures the Party believes contribute to addressing climate change and its adverse impacts, including the abatement of increase in greenhouse gas emissions and enhancement of removals by sinks.

4. Other information

16. Non-Annex I Parties may provide any other information relevant to the achievement of the objective of the Convention, including, if feasible, material relevant for calculation of global emission trends, and financial and technological needs and constraints.

5. Executive Summary

17. The initial communication should include an executive summary of no more than 10 pages that would present the key information and data from the full document.

EXPEDITED PROCESSING OF PROPOSALS

18. The GEF is committed to the efficient and timely delivery of support for preparing national communications of recipient countries, as called for by, and consistent with, the guidance of the COP.

19. Proposals to the GEF are normally processed in accordance with its project cycle. In light of the COP guidance requesting the GEF to expedite the approval and disbursement of financial resources for enabling activities for the preparation of national communications, the GEF Council has adopted expedited procedures to promote the timely approval and implementation of such proposals (see Annex B). COP-2 welcomed these expedited procedures to support enabling activities in the climate change focal area.

20. In approving expedited procedures, the Council recognized that many enabling activity proposals would be similar in scope and cost to other enabling activities that have already been approved by the Council. Therefore, where the requested financing of activities was similar to activity descriptions and cost experience of previously approved proposals, the processing of such requests could be expedited.

21. The Council also recognized that there will be national circumstances which will require support that lies outside of the scope of expedited enabling activities. In these instances, it is fully expected that such requests will be responded to through the preparation of a project proposal in accordance with the regular GEF project cycle.

22. These operational guidelines apply to all enabling activities related to the preparation of initial national communications from Non-Annex-1 Parties, whether free-standing or regional umbrella projects. COP-2 guidance requests GEF to "consider approaches which may be used for several countries with similar needs". In the case of umbrella projects, the operational guidelines apply to each country sub-component of the project. Thus, both types of projects provide the same service. The choice of project will depend on country preference taking into account the comparative advantage of each approach for particular tasks.

REVIEW OF PROPOSALS

23. The guidelines approved by the Conference of the Parties for the preparation of initial national communications which are annexed to this paper will form the basis for funding of proposals from eligible Parties for financial support from GEF. Reviews of proposals by the GEF Secretariat, Implementing Agencies, STAP, and the Convention Secretariat will ensure that the following good practices are followed in order to maximize the use of resources available for these activities.

1. Country Driven:

24. Proposals are to be endorsed by the GEF operational focal points of each country participating in the project. In this endorsement, countries explicitly should acknowledge the project goal, which is providing sufficient capacities in those areas covered in the project to prepare the initial national communication. The GEF operational focal point is expected to inform those in his/her country who are responsible for the Framework Convention on Climate Change of the project proposal for enabling activities for the initial national communication.

2. Use of Established Guidelines:

25. The COP called for the use of certain established guidelines (e.g. the IPCC methodology for emission inventories or their simplified default methodologies). Projects are expected to be of high quality, follow good practice, and observe established guidelines for tools and methodologies whenever available, but countries need not go into more detail than they require for their national communications to the COP.

3. Build Upon Existing Activities and Knowledge:

26. Although the GEF is one of the key channels of support for national communications, it is not the only institution that supports the production of Non-Annex I communications. In fact, the FCCC explicitly provides that

"[...] support may be provided by other Parties, by competent international organizations and by the secretariat, as appropriate."

27. Other support is provided both through bilateral and multilateral organizations. Given this multitude of players, international coordination between the various agencies is important. GEF tries to build upon and complement ongoing or planned parallel activities by other agencies and to fill remaining gaps.

28. Table C-I is an "activity matrix," that is, a checklist of activities that GEF and other funding bodies could collectively support. For each supported activity (e.g. provision of an emission inventory) GEF would ensure that sufficient capacity building would be provided for the activity to be carried out.

4. Appropriate Sequencing

29. Where a Party has requested assistance, GEF support will be provided in a timely, logical sequence such as for:

1. Stocktaking and inventory (collection of background information, normally on the basis of existing data);
2. Identification and analysis of options to meet the objectives of the FCCC; and,
3. Preparation of the relevant section of the national communication.

30. Support for these activities needs to be given to countries in a timely way, so that tasks building on the results of prior activities are not delayed by lack of support for those prior activities. For reasons of administrative efficiency and timeliness, it is preferable that a country requesting assistance for an activity listed in Table C-1 include in its request all those activities for which it expects to request financial assistance from the GEF for preparing the initial national communication. This way all such activities may be addressed in one project proposal, which should contain a timetable for producing the national communication.

5. Efficiency in the Use of Resources:

31. GEF delivery of the required support should be as efficient as possible. COP-2 guidance asks the GEF to "take into account that the preparation of national communications is a continuing process". The collective experience of countries concerning the types of activities and their typical costs are useful reference points for other countries and the Implementing Agencies in designing, and estimating the cost of, similar activities in a particular country, and should help GEF provide high quality support at reasonable cost. GEF financing for any eligible enabling activity for the preparation of national communications will be for the *agreed full cost* incurred by the developing country Party in complying with its obligations under Article 12.1 of the Convention (see Annex D).

6. Use local and regional expertise:

32. Local and regional expertise will be used wherever available and whenever possible. The participation in the project of a broad range of stakeholders such as firms in key sectors, industry associations, NGOs, affected communities and financial institutions, is important to ensure the success and sustainability of the project.

ANNEX A

COP GUIDELINES FOR THE PREPARATION OF INITIAL COMMUNICATIONS BY PARTIES NOT INCLUDED IN ANNEX I TO THE CONVENTION

[Source: FCCC/CP/1996, decision 10/CP.2, Annex.]

1. The guidelines for the preparation of initial communications by Parties not included in Annex I to the Convention (non-Annex I Parties) have five principal objectives, taking into account Article 4.7:

- (a) To assist non-Annex I Parties in meeting their commitments under Article 12.1;
- (b) To encourage the presentation of information in ways that are, to the extent possible, consistent, transparent and comparable as well as flexible, and to take into account specific national situations and requirements for support to improve the completeness and reliability of activity data, emission factors and estimations;
- (c) To serve as policy guidance to the interim operating entity of the financial mechanism for the timely provision of financial support needed by the developing country Parties to meet the agreed full costs in complying with their obligations under Article 12.1, as referred to in decision 11/CP.2;
- (d) To facilitate the process of preparation, compilation and consideration of the communications, including the preparation of compilation and synthesis documentation; and,
- (e) To ensure that the Conference of the Parties has sufficient information to carry out its responsibilities to assess the overall aggregated effects of the steps taken by the Parties in the light of the latest scientific assessments concerning climate change, and to assess the implementation of the Convention.

SCOPE

2. In accordance with Article 12.1, the communication should include:

- (a) A national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, to the extent its capacities permit, using comparable methodologies to be promoted and agreed upon by the Conference of the Parties;
- (b) A general description of steps taken or envisaged by the Party to implement the Convention; and

(c) Any other information that the Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication, including, if feasible, material relevant for calculations of global emission trends.

NATIONAL CIRCUMSTANCES

3. In presenting the information, Non-Annex I Parties should specify their national and regional development priorities, objectives and circumstances on the basis of which they will address climate change and its adverse impacts. The description of these circumstances can cover a wide range of information. In addition to information which can be conveniently presented in a table (see table I below), Parties may present basic economic, geographic and climatic information, as well as other factors relevant to climate change of any nature, such as, for example, features of their economy which may affect their ability to deal with climate change.

4. Parties may provide a brief description of existing institutional arrangements which are relevant to the preparation of the inventory on a continuing basis, or a list of perceived deficiencies in this area.

5. Parties may also present information on their specific needs and concerns arising from the adverse effects of climate change and/or the impact of the implementation of response measures, specially on:

(a) Small island countries;

(b) Countries with low-lying coastal areas;

(c) Countries with arid and semi-arid areas, forested areas and areas liable to forest decay;

(d) Countries with areas prone to natural disasters;

(e) Countries with areas liable to drought and desertification;

(f) Countries with areas of high urban atmospheric pollution;

(g) Countries with areas with fragile ecosystems, including mountainous ecosystems;

(h) Countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products;

(i) Landlocked and transit countries; and

(j) Other special considerations foreseen in Article 4.9 (least developed countries) and Article 4.10 (fossil-fuel dependency), as appropriate.

6. In presenting the information, wherever applicable, Parties should present numerical indicators. For example, they might present data expressed in terms of affected percentage of land area, population, gross domestic product (GDP), etc.

INVENTORY

7. There is a clear need for adequate and additional financial resources, technical support and technology transfer to supplement the efforts towards capacity building for preparation of the national inventories.

8. The Guidelines for the National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptation or the simplified default methodologies adopted by the Intergovernmental Panel on Climate Change (IPCC) should be used by Non-Annex I Parties, as appropriate and to the extent possible, in the fulfillment of their commitments under the Convention.

9. Information should be provided on the following greenhouse gases: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O), to the extent the Party's capacities permit. In addition, Parties are encouraged to include in their national inventories the fully-fluorinated compounds, as appropriate. Other greenhouse gases included in the IPCC methodology may be included at the discretion of the Parties. Emissions from bunker fuels should be reported separately from national emissions.

10. Parties should strive to present the best available data in a table (see table II below), to the extent their capacities permit, and try to identify the areas where the data may be further improved in future communications through national capacity building. Additional information, such as, for example, expression of the results in terms of socio-economic, geographical indicators deemed relevant by each country, may also be provided.

11. As recognized by the IPCC in its Second Assessment Report, there is still great uncertainty associated with net anthropogenic emissions resulting from activities other than combustion of fossil fuels. Such activities include, inter alia, methane emissions from agriculture and waste sectors, coal mining, biomass burning; carbon dioxide emissions from land use change and forestry; and nitrous oxide emissions from all sectors. Since the emissions resulting from these activities depend on local circumstances, and make up a large proportion of the national emissions of Non-Annex I Parties, such Parties should make efforts to obtain field observation data to decrease the uncertainties associated with the inventory of these emissions, taking into account the further development of the IPCC methodology.

12. It is further recognized that such improvement of the quality of emission data, in addition to improving the transparency and comparability of national emissions inventories, also improves knowledge of the relationship between global emissions and resulting atmospheric concentration of greenhouse gases, and therefore aids significantly the task of estimating the emission limitations or reductions required to achieve a given concentration level of greenhouse gases, the ultimate objective of the Convention.

13. Non-Annex I Parties are thus encouraged to formulate cost-effective national, and where appropriate regional, programs aiming at the improvement of the quality of local emission factors and appropriate data gathering, and to submit requests for financial and technical assistance to the interim operating entity of the financial mechanism of the Convention in addition to their request for support for the preparation of their initial communications.

14. Non-Annex I Parties should provide the best available data in their inventory. To this end such data should be provided for the year 1994. Alternatively, Non-Annex I Parties may provide such data for the year 1990.

GENERAL DESCRIPTION OF STEPS

15. In accordance with Article 12.1, each Non-Annex I Party should communicate a general description of steps taken or envisaged by the Party to implement the Convention. Taking into account the chapeau of Article 4.1, the initial communication should seek to include, as appropriate:

- (a) Programs related to sustainable development, research and systematic observation, education and public awareness, training, etc.;
- (b) Policy options for adequate monitoring systems and response strategies for climate change impacts on terrestrial and marine ecosystems;
- (c) Policy frameworks for implementing adaptation measures and response strategies in the context of coastal zone management, disaster preparedness, agriculture, fisheries, and forestry, with a view to integrating climate change impact information, as appropriate, into national planning processes;
- (d) In the context of undertaking national communications, building of national, regional and/or sub-regional capacity, as appropriate, to integrate climate change concerns in medium and long-term planning;
- (e) Programs containing measures the Party believes contribute to addressing climate change and its adverse impacts, including the abatement of increase in greenhouse gas emissions and enhancement of removals by sinks.

OTHER INFORMATION

16. In accordance with Article 12.7 the Conference of the Parties should use the information in initial communications in arranging for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under Article 12, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4.

17. Developing country Parties may, in accordance with Article 12.4, on a voluntary basis, propose projects for financing, including specific technologies, materials, equipment, techniques

or practices that would be needed to implement such projects, along with, if possible, an estimate of all incremental costs, of the reductions of emissions and increments of removals of greenhouse gases, as well as an estimate of the consequent benefits.

18. Non-Annex I Parties may provide any other information relevant to the achievement of the objective of the Convention, including, if feasible, material relevant for calculation of global emission trends, constraints and obstacles, etc.

FINANCIAL AND TECHNOLOGICAL NEEDS AND CONSTRAINTS

19. Non-Annex I Parties may describe the financial and technological needs and constraints associated with the communication of information. In particular, and following the evolving recommendations of the Conference of the Parties through its subsidiary bodies, the description may cover needs and constraints associated with the further improvement of national communications, including reduction of the margin of uncertainty in emission and removal variables through appropriate institutional and capacity-building.

20. According to national priorities, Non-Annex I Parties may include a description of financial and technological needs associated with activities and measures envisaged under the Convention.

21. Information on national technological needs related to measures to facilitate adequate adaptation to climate change may be included in the communication.

22. Information on relevant financial and technological needs relating to the assessment of national, regional and/or sub-regional vulnerability to climate change may be added in the communication. This may include, where appropriate, information related to data-gathering systems to measure climate change effects in particularly vulnerable countries or regions or to strengthen such systems; and identification of a near-term research and development agenda to understand sensitivity to climate change.

23. There is a need to take into full consideration the circumstances and vulnerabilities of developing country Parties, keeping in mind that the extent to which developing countries will effectively implement their commitments under Convention will depend on the effective implementation by developed countries of their commitments under the Convention related to financial resources and transfer of technology.

TIMING OF SUBMISSION OF THE INITIAL COMMUNICATION

24. In accordance with Article 12.5, the timing of submission of the initial communication is within three years of entry into force of the Convention for that Party or of the availability of financial resources in accordance with Article 4.3.

STRUCTURE AND EXECUTIVE SUMMARY

25. The information provided in accordance with these guidelines should be communicated by a Party to the Conference of the Parties in a single document. Any additional or supporting information may be supplied through other documents such as a technical annex.

26. The initial communication should include an executive summary that would present the key information and data from the full document. The executive summary will be translated and distributed widely. It would be useful to envisage an executive summary of no more than 10 pages.

LANGUAGE

27. The communications may be submitted in one of the official languages of the United Nations. Non-Annex I Parties are also encouraged to submit, to the extent possible and where relevant, a translation of their communications into English.

TABLE AI - NATIONAL CIRCUMSTANCES

Criteria	1994
Population	
Relevant areas (square kilometres)	
GDP (1994 US\$)	
GDP per capita (1994 US\$)	
Estimated share of the informal sector in the economy in GDP (percentage)	
Share of industry in GDP (percentage)	
Share of services in GDP (percentage)	
Share of agriculture in GDP (percentage)	
Land area used for agricultural purposes (square kilometres)	
Urban population as percentage of total population	
Livestock population (disaggregate as appropriate)	
Forest area (square kilometres, define as appropriate)	
Population in absolute poverty	
Life expectancy at birth (years)	
Literacy rate	

Note: Parties may also report on the rate of change of the above indicators to the extent possible; data in this table should be as disaggregated as possible and include information on individual sectors.

TABLE AII - INITIAL NATIONAL GREENHOUSE GAS INVENTORIES OF ANTHROPOGENIC EMISSIONS BY SOURCES AND REMOVALS BY SINKS OF ALL GREENHOUSE GASES NOT CONTROLLED BY THE MONTREAL PROTOCOL

Greenhouse Gas Source and Sink Categories	CO2	CH4	N2O
Total (Net) National Emission (Gigagram per year)	X	X	X
1. All Energy	X	X	X
<i>Fuel Combustion</i>			
Energy and Transformation Industries	X		X
Industry	X		
Transport	X		
Commercial-Institutional	X		
Residential	X		
Other (please specify)	X	X	
Biomass Burned for Energy		X	
<i>Fugitive Fuel Emission</i>			
Oil and Natural Gas Systems		X	
Coal Mining		X	
2. Industrial Processes	X		X
3. Agriculture		X	X
<i>Enteric Fermentation</i>		X	
<i>Rice Cultivation</i>		X	
<i>Savanna Burning</i>		X	
<i>Others (please specify)</i>		X	X
4. Land Use Change and Forestry	X		
<i>Changes in Forest and other woody biomass stock</i>	X		
<i>Forest and Grassland Conversion</i>	X		
<i>Abandonment of Managed Lands</i>	X		

ANNEX B - EXPEDITED PROCEDURES FOR ENABLING ACTIVITIES

1. Prior to their submission to the CEO for approval, project proposals for enabling activities will be sent for review by the thematic specialists from the Implementing Agencies and the GEF Secretariat, representatives from the secretariat of the relevant convention and STAP.
2. A scientific and technical review by an expert from the STAP roster will not be required for enabling activities proposals considered under expedited procedures.
3. Proposals to be considered will be circulated to all listed in paragraph 1 above by the Implementing Agency proposing an enabling activity. Reviewers will have 7 working days to comment and/or raise any objection he/she may have with the Secretariat. The Secretariat will consider any objections raised with the Implementing Agency concerned. On the basis of the comments received and any consultations with the Implementing Agency, the project proposal will be submitted to the CEO for approval. The CEO would consider the recommended proposals within 48 hours and inform the Implementing Agency if he approves the project proposal. Up to 15% of the total budget would be immediately available for preparatory assistance at the country level.
4. Enabling activities that are consistent with the operational guidelines and are a component of a larger project will be reviewed as if they were freestanding enabling activities proposals, and an appropriate recommendation will be made by the members of the task force on the project component concerned.
5. If the project proposal deviates significantly from the agreed operational guidelines, the project proposal will be reviewed and approved in accordance with standard procedures of the GEF project cycle, including the requirement that the proposal be reviewed by an expert from the STAP roster.
6. Once the CEO has approved the enabling activity project proposal, the Implementing Agency will immediately inform the recipient country and immediately start working with that country to finalize the project document and supporting terms of reference with a view to ensuring early implementation of the enabling activity. This will include the immediate release of up to 15% of the budget for preparatory assistance.
7. Once the final project document is approved by the Implementing Agency and the recipient country, accountability for project implementation rests with the executing agency in the country. The Implementing Agencies will be available throughout project preparation and implementation to provide promptly any assistance requested by the recipient country. A copy of the final project document will be submitted to the Secretariat for its information and for purposes of reporting to the Council
8. The Council will be informed, at each of its regular meetings, of the enabling activity projects approved in accordance with these procedures in the period since its previous meeting.

ANNEX C - THE ACTIVITY MATRIX

1. Purpose of an Activity Matrix

An activity matrix summarizes concisely the existing activities and relevant information in a country, the improvement envisaged through the proposed project, and the gaps remaining after project completion.

2. Types of Activities

Article 12.1 of the FCCC calls for countries to prepare a national communication containing information relevant to the achievement of the objective of the Convention. Guidelines for the content of Non-Annex-1 communications are outlined in Annex A. The types of activities included in communication-related enabling activities are determined by the requirement to provide this information.

In addition to the planning and actual execution of a task, enabling activities include measures to build the capacity necessary for a country to perform these tasks on an ongoing basis. Such capacity building measures include the strengthening of relevant institutions and adequate training.

3. The Basic Enabling Activity Building Blocks

The dimensions of enabling activities for national communications span a matrix of two principal classes: planning and execution on the one hand and capacity building on the other. Table C1 shows the standard activity matrix. Each cell in the matrix refers to a specific activity. For example, the entry for "training" and "greenhouse gas inventory" could refer to instruction courses in the OECD/IPCC inventory software. The cells of the activity matrix constitute the basic building blocks of enabling activities.

4. Compiling the Matrix

Most of the information on previous and ongoing (including planned and committed) projects needed to construct the activity matrix is available from the CC:INFO database maintained by the FCCC Secretariat. Implementing agencies check the information from the database as necessary to assure an accurate representation of existing activities in the matrix.

In assessing existing activities, the presumption is that previous and ongoing enabling activities have succeeded or will succeed in providing sufficient capacity in the categories they deal with. That is, if an activity is already covered by other enabling activities, the corresponding cell in the activity matrix is checked and no further activities are undertaken in this area. Deviations from this rule are justified in the project document, where it is explained why initial activities are not considered sufficient (usually because of inadequacies identified in an independent evaluation of these activities).

ANNEX D - TYPICAL COST RANGES FOR INITIAL NATIONAL COMMUNICATION PROPOSALS PROCESSED BY EXPEDITED PROCEDURES

1. To maximize the use of resources available for enabling activities and to expedite the approval of proposals, most projects are expected to lie within typical cost ranges. Indicators of reasonable cost ranges for individual activities ensure cost-effectiveness in each activity, including administrative needs. Each cost range describes the approximate expenditure needed to perform a particular activity. Projects that do not cover the full scope of activities (e.g. projects that only concern training for, but not the actual execution, of a task) and activities that do not require great analytical depth are expected to incur lower costs. Table D1 provides the initial list of typical cost ranges.

DEVIATIONS FROM TYPICAL COST RANGES

2. In exceptional cases, proposals may deviate from typical cost ranges. The adequacy and cost-effectiveness of such proposals is judged on a case-by-case basis. Deviations can occur either (a) because a proposal envisages coverage that goes beyond established operational guidelines; or (b) because of special circumstances that lead to higher costs for the provision of the usual coverage.

3. To the extent that proposals go beyond established operational guidelines (case a), they are considered an enabling activity that goes beyond the preparation of a national communication. They are therefore evaluated according to the criteria relevant for such activities (compatibility with operational programs, incremental cost analysis). For example, a particular enabling activity may be carried out in more detail than strictly necessary, because the additional insights are of general value and could assist other countries in a similar situation. The additional analysis that goes beyond the requirements of the communication is then judged in the context of a relevant operational program.

4. Special circumstances that may justify costs above typical ranges for activities related to national communications (case b) include (i) the complexity of the response options that need to be analyzed; (ii) the diversity of emission sources and sinks, or of available response options. While these special circumstances call for some flexibility, significant deviations will necessitate the use of the regular GEF project cycle.

5. Note also that the costs associated with the work of specialized Implementing Agency staff or consultants retained by an Implementing Agency needed for a particular task (including those that are over and above those covered by the administrative budget) are normally excluded from GEF funding.

TABLE D1: TYPICAL COST RANGES FOR EXPEDITED PROCESSING OF INITIAL NATIONAL COMMUNICATIONS PROPOSALS

Enabling Activity	Capacity Building				Technical & Admin. Support	Typical Cost Ranges (including overheads in '000s)
	Planning and execution	Data Gathering and Research	Institutional Strengthening	Training and Education		
Commitment						
1. National Circumstances						-
2. Greenhouse Gas Inventories						\$ 50 -100
3. General Description of Steps						up to \$ 135
(a) Programs related to sustainable development, research, public awareness, etc...						
(b) Policy Options for Monitoring Systems and Response Strategies for Impacts						
(c) Policy Frameworks for Implementing Adaptation Measures and Response Strategies						
(d) Building Capacity to integrate Climate Change Concerns into Planning						
(e) Programs to address climate change, adverse impacts, incl. abatement, sink enhancement						
4. Other Information						up to \$ 10
(a) Material relevant for Global Emission Trends						
(b) Financial, Technological Needs & Constraints						
5. Compilation and Production of Initial National Communication						\$ 15 - 20
Project Management						up to \$ 70
Monitoring/Evaluation						up to \$15
Total	~(45-55%)		~(20-25%)	~(25-35%)	~(<10%)	up to \$350

ANNEX E - STANDARD FORMAT FOR PROPOSALS FOR ENABLING ACTIVITIES LEADING TO THE INITIAL NATIONAL COMMUNICATION FROM NON-ANNEX-1 PARTIES

Cover Page

Country

Project Title

GEF Focal Area

Country Eligibility

GEF Financing

Government Counterpart Financing

GEF Implementing Agency

Executing Agency

Local Counterpart Agency

GEF Operational Focal Point

FCCC Focal Point

Project Duration

Body of Proposal

Background/Context

Project Objectives and Description

Institutional Framework and Project Implementation

Activity Matrix (for each participating country)

Remaining steps to achieve sufficient capacity

Project Financing and Budget

Explanation for deviations from typical cost ranges (where applicable)

Annex

- Project endorsement by GEF operational focal points of each participating country, acknowledging project goal of sufficient capacity in areas covered by the project.

ANNEX F - ENABLING ACTIVITIES AND RELATED MEASURES -- A GLOSSARY OF TERMS

Abatement: Abatement refers to activities undertaken to reduce the emission of greenhouse gases into the atmosphere. Abatement measures are a subset of mitigation activities, the other main mitigation measure being sink enhancement.

Adaptation: Adaptation activities are measures undertaken to reduce vulnerability and to moderate the adverse effects of environmental impacts, for example climate change. In the context of climate change, decision 11/CP.1 of the COP identifies three stages in the adaptation process:

Stage I is predominantly concerned with vulnerability studies and the assessment of available adaptation options. It also envisages initial measures to build adaptive capacity. Stage I adaptation may be incorporated into, and become part of a country's national communication. Where this is the case, Stage I measures are eligible for GEF funding.

Stages II and III include the medium and long term adaptation measures envisaged in Articles 4.1(b) and 4.1(e) of the FCCC. Stage II and III activities are not yet eligible for funding under the Convention.

Capacity Building: The term capacity building refers to a wide range of measures relevant not only to global environment issues but to development activities in general. Capacity building may be defined as the process of creating or enhancing indigenous capacities to perform specific tasks on an on-going basis in order to attain a given development objective. Among others, the following three aspects are often stressed:

1. human resource development (training, education);
2. institutional strengthening (improve organizational methods, administrative procedures); and
3. creation of a receptive environment (increase public awareness; create regulations and socio-interactive processes conducive to development).

Country Studies: The development of country studies is one example of an enabling activity. Country studies have been sponsored by several bodies, including GEF and bilateral agencies. Studies usually aim at enhancing the capacity of a country to formulate its national communication and/or to develop a national strategy to deal with climate change in the longer term, e.g. by assisting in the development of an emission inventory or the assessment of mitigation options.

Emission Inventories: A national emission inventory is one of the key elements of a national communication. An inventory is expected to cover all anthropogenic greenhouse gas emissions not controlled by the Montreal Protocol, listed by sources and sinks. The IPCC and the OECD have established a standard format and procedure to perform this task.

Enabling Activities: In the context of climate change, enabling activities were defined by the COP as those measures that facilitate the implementation of response measures in accordance

with the FCCC (decision 11/CP.1). Enabling activities in developing country parties are a program priority and eligible for funding under the Convention. Measures include: (a) planning; and (b) capacity building measures such as (i) institutional strengthening, (ii) training, (iii) research, and (iv) education, which help countries to implement the Convention.

Mitigation: Activities which aim at a reduction of the net amount of greenhouse gases released into the atmosphere, and thus help slowing down the process of anthropogenic climate change, are called mitigation measures. They include both emission abatement and sink enhancement, and cover all greenhouse gases, as well as all economic sectors and activities where emissions occur. Mitigation measures undertaken in developing countries are eligible for incremental cost funding under the FCCC.

National Communications: The FCCC requires each Party to communicate to the COP information relevant to the achievement of the objective of the FCCC (Art. 4.1(j) and Art. 12). While recognizing the differentiated responsibilities of different countries, communications are expected to contain the following elements:

- (a) national inventory of emission sources and sinks;
- (b) material relevant for the calculation of emission trends;
- (c) a general description of steps envisaged to implement the Convention; and
- (d) any other relevant information.

Communications of Annex I countries are due within 6 months of the entry into force of the FCCC (countries with economies in transition are granted 'a certain degree of flexibility'). Least developed countries may make their initial communication at their discretion. The communications of all other countries are due within 3 years of the entry into force of the Convention for the country, or within 3 years of the availability of financial resources in accordance with Article 4.3. Non-Annex I countries are eligible for full-cost funding under the Convention.

Sink Enhancement: Sink enhancement measures aim at the protection or expansion of forests and other natural systems that are capable of storing carbon and thus reduce the net emission rate of CO₂ into the atmosphere.

Vulnerability Assessment: Part of stage-I adaptation, a vulnerability assessment analyzes the potential impacts of climate change on a country or region in one or several sectors (e.g., impact on agriculture, on coastal zones, etc.).