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Date: 11/29/2012 05:00 PM

Subject: Canada's comments - 43rd GEF Council, work program

Dear Secretariat,

Thank you for the opportunity to provide comments on the work program presented at the 43rd GEF Council Meeting. Please find Canada's comments below.

Kind regards,

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Canada's Comments - 43rd GEF Council, work program

Canada welcomes this high quality work program and thanks the GEF Secretariat, Agencies and recipient countries for their work. Canada's specific comments follow.

CLIMATE CHANGE

General Points on UNFCCC National Communications and Biennial Update Reports Projects

- Canada is pleased to see recent proposals from developing countries to fund the development of national communications as well as biennial update reports. These are important reporting products, which allow for transparency and accountability under the Convention.
- As countries are investing considerably in these reporting products, it is important that proposals to fund the preparation of biennial update reports and national communications demonstrate how these projects will build sustained institutional and technical capacity to undertake this reporting in a regularized way going forward. This is a key piece of information required by the GEF in order to assess the project proposals as well as their results.
- It takes time to establish the internal technical and institutional capacity to prepare these funding proposals, as well as to maintain and regularly update inventories, and preparing Biennial Update Reports (BURs) add a further reporting obligation for developing countries. We must work together to ensure that developing countries have the tools they need to regularly prepare these reports going forward.

Global Support Programme for Preparation of National Communications and Biennial Update Reports for non-Annex I Parties under the UNFCCC

- Overall, this is a well-designed project and Canada supports its objectives, particularly with regard
 to strengthening the human, technical and institutional capacity of recipient countries to prepare
 inventories, BURs, and National Communications on a regular basis. It is important that developing
 countries establish and retain the internal technical and institutional capacity to undertake this reporting.
- In terms of the specific elements of the proposal, Canada has the following questions and comments:
- The Project has a 5 year timeline, yet new National Communications are due by 2016 and BURs by 2014. Please explain.
- The coordination section of the proposal does not mention efforts to coordinate with the UNFCCC Consultative Group of Experts National Communications from Parties not included in Annex I to the Convention (CGE). Although the revised terms and mandate of this body post-2012 are not yet determined, it is likely that the CGE will continue to provide training and support to developing countries to prepare their National Communications and BURs and, as such, it would be important that this project seek to coordinate with the CGE's activities.
- The proposal indicates that this project will be open to all non-Annex I countries, but it also states that assistance will be prioritized for countries with the least technical capacity, particularly LDCs and SIDS. Please clarify how many countries this project will serve and how their eligibility will be determined.
- In addition, if this project targets LDCs and SIDS, there may be overlap between it and the "Umbrella Programme for National Communications to the UNFCCC" (UNEP), which is also seeking funding. Please explain the distinction between these projects.
- It is our understanding that many developing countries in addition to LDCs and SIDS require assistance to develop their technical and institutional capacity to develop BURs, and National Communications, and that all developing countries would benefit considerably from this project as well as from the south-south learning that wide participation would enable. In our view, it is important that as many countries as possible are served by this programme. Given that LDCs and SIDS have been invited to provide BURs at their own discretion, larger developing countries should be assisted with this additional reporting obligation through this project as they will need to submit these reports within a short timeframe.

<u>Enabling China to Prepare Its Third National Communication (3NC) and Biennial Update Report to the UNFCCC</u>

- The proposed timeline of 48 months does not appear to be consistent with UNFCCC timelines, requiring the first BURs by December 2014. Please adjust the timeline accordingly.
- The project should also ensure that it contributes to building long-term technical capacity and institutional strengthening in China.

Umbrella Programme for National Communication to the UNFCCC

- Please clarify on which number of National Communications each of the 12 countries is working.
- Please advise how the Implementing Agencies and the GEF Secretariat will address the fact that some countries have already received funding for their current National Communications, but have not yet submitted it.

Diibouti: Geothermal Power Generation Program

- Canada shares the concerns of the STAP, specifically that the project needs to provide a clearer definition of both the global environmental benefits it intends on generating and the incremental costs that the GEF will cover. Please clarify the benefits and incremental costs.
- The project document does not make a strong case for why GEF resources would be needed for this project. Please provide the necessary justification to inform to CEO's approval decision.

Iraq: Catalysing the Use of Solar Photovoltaic Energy

• Canada shares the STAP's concerns regarding the cost-effectiveness of solar photovoltaic energy in Iraq. Please provide the necessary analysis to inform the CEO's approval decision.

<u>Sierra Leone: Energy Efficient Production and Utilization of Charcoal through Innovative Technologies</u> and Private Sector Involvement

• Canada shares the STAP's numerous concerns in regards to this project and, in particular, Canada is concerned with a lack of detail on the source of biomass for charcoal production, as well as how the project would avoid both negative impacts on biodiversity and additional land degradation.

Tanzania: Promotion of Waste-to-Energy Applications in Agro-Industries

- Canada shares the STAP's concerns regarding the seasonal availability of agricultural residues for biogas as well as the financial-related concerns, such as potential for cost recovery through electricity feed-in tariffs.
- We note, however, the considerable interest of the Government of Tanzania and the private sector in investing in the project and see their co-financing as a positive element of the project.
- The project proposes setting up a revolving financing facility and then investing in demonstration projects. We would be interested in hearing whether it would be preferable to have a few demonstration projects in key sectors before offering financial support. Alternatively, if the technology and the market are ready, perhaps a separate demonstration project is not required, and the initiatives supported initially by the financing facility can be used as "demonstrations" for broader uptake. Please comment.

BIODIVERSITY

Democratic Republic of Congo Conservation Trust Fund (4640)

• The Project Information Form (PIF) identified two risks: a lack of capacity in the governance structure; and, a poorly designed investment strategy. These must be mitigated to ensure the success of the project. In our view, the PIF currently does not sufficiently address the mitigation measures and we request that the mitigation measures to be fully addressed before CEO approval of the project.

CHEMICALS

Continuing Regional Support for the POPs Global Monitoring Plan under the Stockholm Convention in the Latin American and Caribbean Region (4881)

- It is indicated that the type of co-financing (grant or in-kind) from the National Governments is "unknown at this stage", however the value has been determined. The type of co-financing should be confirmed prior to CEO approval.
- The STAP identified sustainability of the project as a risk; however, this is not reflected in the risks section of the PIF. For example, it was suggested that the project outline how it will get the buy-in of other government ministries, particularly health (as they are better equipped to test mothers' milk), and other government organizations are only briefly mentioned in the stakeholders section, but their role is not clear. Please clarify in the risk section.
- Canada is encouraged to see that data from the first passive sampling campaigns are already available and that this proposal builds on the earlier one. However, the current proposal places too much emphasis on developing "country" capacity for POPs monitoring at the expense of "regional" capacity. To build regional capacity, only one or two qualified labs for each media would be required, and this can be achieved in relatively little time, unlike building capacity in each country in the region. Overall, Canada supports this proposal and the collection of samples in individual countries, but we question the need for many GRULAC countries to conduct analysis, as analysis should be more regionalized with proper QA/QC protocols followed.

<u>Continuing regional Support for the POPs Global Monitoring Plan under the Stockholm Convention in the</u> Africa Region (4886)

- Please confirm the type of co-financing from National Governments prior to CEO approval.
- This project will provide significant data in a region where core data is in great need. While we support this proposal in principal, we question the need for all countries in the region to have the capacity to conduct analysis. We support collecting samples in all countries.

Pesticide Risk Reduction in Malawi (5109)

• We agree with the STAP that the PIF is quite comprehensive and appears sensitive to the issues and circumstances in Malawi, including the repurposing of pesticide containers for domestic use and the need to improve life-cycle management.