

Annex

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Global Environment Facility

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INFORMATION* PREPARED BY THE
GLOBAL ENVIRONMENT FACILITY TO ASSIST THE
SUBSIDIARY BODY FOR IMPLEMENTATION
IN ITS REVIEW OF THE FINANCIAL MECHANISM

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INTRODUCTION

1. The Conference of the Parties to the Framework Convention on Climate Change (FCCC) decided at its first session, “that the restructured GEF shall continue, on an interim basis, to be the international entity entrusted with the operation of the financial mechanism referred to in Article 11 of the Convention;” and also decided, “in accordance with Article 11.4 of the Convention, to review the financial mechanism within four years and take appropriate measures, including a determination of the definitive status of the GEF in the context of the Convention.”¹

2. At its second session, the Conference of the Parties requested the Subsidiary Body for Implementation (SBI) at its fourth session to undertake the review process referred to in the decision 9/CP.1.²

3. During consultations between the secretariats of the Convention and the GEF, it was agreed that it would be useful to submit to the SBI, with a view to assisting in its review of the financial mechanism, the following information:

- (a) Report of the GEF to the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change on the Restructured Global Environment Facility (A/AC.237/89, December 14, 1994);
- (b) Report of the GEF to the First Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (FCCC/CP/1995/4, March 10, 1995);
- (c) Report of the GEF to the Second Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (FCCC/CP/1996/8, June 27, 1996); and
- (d) Any additional information to that provided in the earlier reports so as to make available up-to-date information on GEF activities in the climate change area through the end of 1996.

4. The present paper provides the information referred to in the above subparagraph. It up-dates the report that was presented by the GEF to the Conference of the Parties at its second session by providing new information on project financing for the period from May 1996 through December 1996. The paper

¹ The decision designates the GEF, on an interim basis, as the international entity entrusted with the operation of the financial mechanism referred to in Article 11 of the Convention and decides, in accordance with Article 11.4, to review the financial mechanism within four years and take appropriate measures, including a determination of the definitive status of the GEF in the context of the Convention.

² Decision 9/CP.1, FCCC/CP/1995/7/Add.1.

also highlights information that was presented in earlier reports that might be particularly relevant for purposes of the review. Additional material that might assist the Subsidiary Body for Implementation in its review, such as the most recent GEF Quarterly Operational Report (November 1996), will be submitted separately by the GEF.

CONVENTION REQUIREMENTS CONCERNING ITS FINANCIAL MECHANISM

5. Paragraphs 1 and 2 of Article 11 of the Convention set forth the following provisions to guide the selection of the Convention's financial mechanism:

- (a) The financial mechanism is to provide financial resources on a grant or concessional basis, including for the transfer of technology;
- (b) It shall function under the guidance of, and be accountable to, the Conference of the Parties, which shall decide on its policies, programme priorities and eligibility criteria related to this Convention;
- (c) Its operation shall be entrusted to one or more existing international entities; and
- (d) It shall have an equitable and balanced representation of all Parties within a transparent system of governance.

6. Paragraph 3 of Article 11 provides that the Conference of the Parties and the entity or entities entrusted with the operation of the financial mechanism are to agree on arrangements to give effect to paragraphs 1 and 2 of the Article.

7. Paragraph 4 of Article 11 provides that the Conference of the Parties is to make arrangements to implement Article 11 at its first session, "reviewing and taking into account the interim arrangements referred to in Article 21, paragraph 3". The paragraph also calls for the Conference of the Parties to "decide whether these interim arrangements shall be maintained."

8. Paragraph 3 of Article 21 provides:

The Global Environment Facility of the United Nations Development Programme, the United Nations Environment Programme and the International Bank for Reconstruction and Development shall be the international entity entrusted with the operation of the financial mechanism referred to in Article 11 on an interim basis. In this connection, the Global Environment Facility should be appropriately restructured and its membership made universal to enable it to fulfill the requirements of Article 11."

9. It is the opinion of the GEF that its restructuring, which occurred from April 1992 through March 1994, responded to the requirements of Articles 21(3) and 11, and therefore, it is an appropriate international entity to be entrusted with the operation of the financial mechanism of the Convention. The key aspects of this restructuring that respond to the Convention requirements are described below.

(i) Universal Membership

10. Under the restructured GEF “any State member of the United Nations or of any of its specialized agencies may become a Participant in the GEF by depositing with the Secretariat an instrument of participation.”³ As of December 1996, there are 156 country Participants in the GEF. A list of Participants is attached as Annex A.

(ii) Function under the guidance of the Conference of the Parties

11. The GEF Instrument and the Operational Strategy formally ensure that “the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, program priorities and eligibility criteria for the purposes of the convention.”⁴ In its previous reports to the sessions of the Conference of the Parties, the GEF provided specific information on how it had responded to the guidance of the Conference. Up-dated information on the consistency of recent GEF activities with the guidance of the Conference of the Parties is included in paragraphs 20 through 29 of this report.

(iii) Provision of financial resources on a grant or concessional basis

12. The GEF Instrument stipulates that the GEF shall “provide grant and concessional funding”⁵ To date, all GEF financing in the area of climate change has been through grants. As of December 1996, the GEF has provided US\$528 million in grant financing for climate change projects and project preparation. This financing has leveraged an additional US\$2,730 million in project financing, for a total of US\$3,258 million in climate change project financing. These projects have provided assistance to 97 countries. In addition, financing totaling over US\$94 million has been provided to multi-focal area projects with significant climate change benefits. A complete listing of GEF project activities in the climate change area, both within and outside the financial mechanism, is presented in Annexes B through G of this paper.

³ Instrument for the Establishment of the Restructured Global Environment Facility, paragraph 7.

⁴ Instrument, paragraph 6. The GEF Operational Strategy was adopted in October 1995. The Climate Change chapter of the strategy was developed taking fully into account the guidance received from the Conference of the Parties. The Operational Strategy also states, “The GEF will maintain sufficient flexibility to respond to changing circumstances, including evolving guidance of the Conference of the Parties and experience gained from monitoring and evaluation activities.”

⁵ See in particular FCCC/CP/1996/8, June 27, 1996, Report of the GEF to the Second Session of the Conference of the Parties.

⁶ Instrument, paragraph 2.

(iv) Equitable and balanced representation within a transparent system of governance.

13. Governance of the GEF is primarily vested in two bodies established by the Instrument: the Council and an Assembly⁷. The Assembly consists of representatives of all country Participants. It meets once every three years and is to review the general policies of the GEF. The GEF will convene its first Assembly in 1998.

14. The Council comprises 32 Members, each representing a constituency grouping of Participating countries. 16 Members are from developing countries, 2 Members are from the countries of central and eastern Europe and the former Soviet Union, and 14 Members are from developed countries. Constituency groupings were decided by the Participating countries, and were formulated and distributed taking into account the need for balanced and equitable representation of all Participants. The Council meets semi-annually.

15. The GEF Council has held eight meetings. Its major accomplishments to date have focused on establishing the operational policies to be followed in the preparation and implementation of GEF activities. These policies include:

- (a) the GEF Operational Strategy;
- (b) the project cycle;
- (c) project preparation financing through the Project Development and Preparation Facility (PDF);
- (d) the terms of reference for STAP;
- (e) monitoring and evaluation work program;
- (f) expedited procedures to support enabling activities;
- (g) approach on estimating incremental costs;
- (h) public involvement in GEF-financed projects; and
- (i) expedited procedures for medium-sized projects.

ARRANGEMENTS BETWEEN THE CONFERENCE OF THE PARTIES AND THE GEF AS THE ENTITY ENTRUSTED WITH THE OPERATION OF THE FINANCIAL MECHANISM

16. At its first session, the Conference of the Parties requested the Convention secretariat, in consultation with the secretariat of the GEF, to prepare draft arrangements between the Conference of the Parties and the operating entity or entities of the financial mechanism for consideration by the SBI at its first session and adoption by the Conference of the Parties at its second session. Accordingly,

⁷ Instrument, paragraph 11.

the SBI considered at its first session the draft Memorandum of Understanding that had been prepared by the two secretariats and approved by the GEF Council at its meeting in July 1995. The SBI decided to recommend that the Conference of the Parties adopt the draft Memorandum, which it did at its second session (Decision 12/CP.2).

17. The SBI also requested the secretariats of the Convention and the GEF to elaborate jointly the annex to the Memorandum of Understanding on procedures to facilitate the joint determination in a predictable and identifiable manner of the amount of funding necessary and available for the implementation of the Convention referred to in paragraph 9 of the Memorandum. The annex to the Memorandum of Understanding, elaborated jointly by the secretariats of the Convention and the GEF, was approved by the GEF Council at its meeting in April 1996 and submitted to the SBI for its review prior to adoption by the Conference of the Parties.

18. The SBI recommended, and the Conference agreed, that the SBI should consider the draft annex, together with an alternative text submitted by the G.77 and China, at its session in December 1996 (Decision 13/CP.2). The SBI is to report to the third session of the Conference of the Parties on their consideration of the annex.

19. At its fourth session in December 1996, the SBI prepared and adopted an annex to the Memorandum and agreed to transmit it to the GEF Council for expeditious consideration and approval so that the SBI could recommend its adoption by the third session of the Conference of the Parties in December 1997. The Council of the GEF will consider the annex prepared by the SBI at its next meeting in early May 1997.

PROJECT ACTIVITIES IN THE CLIMATE CHANGE AREA APPROVED BETWEEN MAY AND DECEMBER 1996.

20. Since its last report to the Conference of the Parties, the following GEF financing for project preparation has been approved⁸

COUNTRY	PROJECT NAME	GEF FINANCING (IN US\$ MILLIONS)
PROJECT PREPARATION FINANCING		
China	Energy Efficient CFC-free Refrigerators	0.243
China	Energy Conservation Promotion	0.350
Colombia	Bagasse Power	0.025
Russian Federation	Regional Energy Efficiency	0.025
TOTAL		0.643

⁸ This financing was provided through the Project Development and Preparation Facility (PDF)

21. The following enabling activities have been approved by the CEO/Chairman of the GEF in the period from May to December 1996.

COUNTRY	PROJECT NAME	GEF FINANCING (IN US\$ MILLIONS)
ENABLING ACTIVITIES		
Albania	Enabling Activities	0.28
Chile	Enabling Activities	0.35
DPR Korea	Enabling Activities	0.15
Eritrea	Enabling Activities	0.30
Georgia	Enabling Activities	0.33
Lesotho	Enabling Activities	0.35
Seychelles	Enabling Activities	0.25
Sierra Leone	Enabling Activities	0.31
Uganda	Enabling Activities	0.08
TOTAL		2.40

22. The table below lists the investment projects that have been approved by the GEF Council since May 1996.

COUNTRY	PROJECT NAME	GEF FINANCING (IN US\$ MILLIONS)	TOTAL FINANCING (IN US\$ MILLIONS)
LONG-TERM OPERATIONAL PROGRAM			
Global (India, Kenya, Morocco)	Photovoltaic Market Transformation Initiative	30.00	120.00
Bulgaria	Energy Efficiency Strategy to Mitigate Greenhouse Gas Emissions	2.58	4.18
Ghana	Renewable Energy-based Electricity for Rural Social and Economic Development in Ghana	2.47	2.57
Russian Federation	Capacity Building to reduce Key Barriers to Energy Efficiency in Russian Residential Buildings and Heat Supply	2.98	5.59
Syria	Supply-side Efficiency and Energy Conservation and Planning	4.07	29.86
TOTAL		42.10	162.20

23. The following table lists financing recently approved for multi-focal area projects with significant climate change components or for preparation of such projects.

COUNTRY	PROJECT NAME	GEF FINANCING (IN US\$ MILLIONS)	TOTAL FINANCING (IN US\$ MILLIONS)
PROJECT PREPARATION FINANCING			
Global	Supporting Country-driven GEF-eligible Projects through the GEF Project Development Workshop	0.56	0.56
Global	Land Degradation Workshop	0.10	0.10
Regional (Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela)	Integrating Global Environmental Dimensions into Public Policy Making in Latin America	0.21	0.21
<i>Sub-total</i>		0.87	0.87

MULTI-FOCAL AREA PROJECTS

Global	Small and Medium Scale Enterprise Program (replenishment)	16.50	16.50
Regional (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama)	Central American Fund for Environment and Development: Account for the Global Environment	15.00	28.00
		<i>Sub-total</i>	31.50
		TOTAL	44.50
			32.37
			45.37

OTHER ACTIVITIES UNDERTAKEN IN RESPONSE TO COP GUIDANCE

24. At its second session, the Conference of the Parties approved new guidance to the GEF (Decision 11/CP.2). One principal matter addressed in the guidance concerns enabling activities, and in particular the funding of communications from non-Annex I Parties under Article 12.1 of the Convention. In this regard, the Conference of the Parties also adopted guidelines and a format for the preparation of initial national communications by non-Annex I Parties (Decision 10/CP.2). In the preamble to decision 11, concern was expressed over difficulties encountered by parties in receiving financial assistance from the GEF, and the decision requests the GEF to expedite the approval and disbursement of financial resources to meet the agreed full costs incurred by developing country parties in complying with their obligations under Article 12.1 of the Convention. The GEF is also requested to take steps to facilitate the provision of financial resources, including the enhancement of transparency and the flexible and pragmatic application of the concept of incremental costs.

25. Shortly after the second session of the Conference of the Parties, the CEO convened a senior management meeting of the Implementing Agencies and Secretariat. During the meeting agreement was reached on a number of ways to streamline GEF internal working procedures and to further expedite GEF enabling activity approval and implementation. At the meeting there was general agreement on the need to ensure rapid preparation, approval and implementation of enabling activities. It was recognized that the approval by the Council in April 1996 of expedited procedures was an important step towards improving the process, but these were still quite recent. Nonetheless, it was agreed that even more could be done to facilitate early disbursement of funds at the country level. In particular, steps were agreed to :

- (a) expedite task force review of project proposals;
- (b) enable approval of enabling activities to occur on a rolling basis, as and when proposals are prepared; and
- (c) provide for up to 15% of the total budget activity to be available for start up work as soon as the CEO approves the project proposal.

26. It is expected that this agreement will further facilitate the processing of project proposals and lead to early implementation of activities and disbursement of project funds in developing countries. To date, financing for enabling activities in 81 countries has been approved (see Annex D).

27. Agreement has also been reached with the Implementing Agencies, in consultation with the secretariat of the convention, on using, for purposes of climate change enabling activities, the guidelines and format for the preparation of initial

national communications by non-Annex I Parties as the basis for the preparation of national communications under GEF-financed enabling activities.

28. These steps are consistent with the agreement reached at a meeting of GEF Heads of Agency in June 1996. At the meeting, the Chairman/CEO briefed the Heads of Agency on the status of programming of GEF financial resources, commitments and disbursements. It was noted that, while the quality of GEF projects has risen appreciably over time, and the ability to commit resources to projects is proceeding satisfactorily, disbursement of funds continues to be a problem. The President of the World Bank outlined the steps he is undertaking within the Bank to streamline its project cycle and documentation and indicated that he will ask Bank staff to explore ways to reduce in half the processing time of GEF projects within the Bank's control. The Heads of UNDP and UNEP indicated that their staff will also explore opportunities for speeding up processing and disbursement in their agencies even further.

29. The GEF Council, like the Conference of the Parties, has recognized the need for a flexible application of the concept of incremental costs. The Secretariat and the Implementing Agencies are collaborating on ways to apply the approved incremental costs approach to specific focal areas and projects. Biodiversity projects have presented the most difficulties, efforts will focus on this focal area, recognizing that lessons learned will then be applied as appropriate to the other focal areas, including climate change. The intention is to develop criteria for projects (training, capacity building, institutional strengthening or planning projects) that lend themselves to a rapid incremental cost assessment. Guidelines will be developed on how to carry out such assessments, and how to identify items that should be financed at full cost. For larger investment projects the incremental costs would need a fuller consideration. Paradigms for such analysis in each focal area are being developed.

GEF PROJECT DEVELOPMENT WORKSHOPS

30. To facilitate access to GEF resources and the preparation of high quality GEF projects, a GEF project development workshop was designed. To date, 26 workshops have been organized in Africa, Asia/Pacific, Latin America/Caribbean, Europe/Central Asia and Middle East/North Africa. Representatives from the following regions and countries participated in workshops:

Africa: Botswana, Comoros, Djibouti, Côte d'Ivoire, Eritrea, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Senegal, Seychelles, South Africa, Sudan, Uganda, Zambia and Zimbabwe;

Asia/Pacific:	Cook Islands, Fiji, India, Indonesia, Malaysia, Pakistan, Philippines, Samoa, Thailand, and Tonga;
Europe/ Central Asia:	Armenia, Kazakhstan, Kyrgyz Republic, Lithuania, Tajikistan, Turkmenistan and Uzbekistan;
Latin America/ Caribbean:	Antigua and Barbuda, Argentina, Bahamas, Barbados, Brazil, Cuba, Dominica, Dominican Republic, Haiti, Jamaica, Trinidad and Tobago and Venezuela; and
Middle East/ North Africa:	Algeria, Jordan, Lebanon, Morocco, Sudan, Syria, Tunisia and Turkey.

31. The GEF has received very positive feedback from the workshops, and additional requests have been made from countries that have not yet benefited from participating in a workshop. 12 workshops have been initially scheduled for 1997. They will include representatives from approximately 20 additional countries.

MEDIUM-SIZED-PROJECTS

32. The GEF Council, at its meeting in October 1996, approved procedures to expedite the processing and financing of medium-sized projects. The goal of the procedures is to simplify and expedite the preparation and approval of projects requiring up to US\$ 1 million of GEF-financing. The expedited procedures are to apply to project proposals submitted by all potential executing agencies, including governments, national institutions, local communities, non-governmental organizations, academic institutions and private sector entities.

GEF MONITORING AND EVALUATION ACTIVITIES

33. At its October meeting, the Council approved a work program and budget for the GEF monitoring, evaluation and dissemination program. It is expected that the Conference of the Parties will be one of the primary users of the results that will emerge from the GEF monitoring and evaluation. This work program includes initial activities concerning the design of monitoring and evaluation components in projects, performance monitoring reports, mid-term evaluations, project completion reports and performance audits, and evaluation of project impact. The program also

provides for an evaluation of the performance of the operational strategy, and assessments of GEF's global results and impacts.

34. Prior to the approval of the monitoring, evaluation and dissemination work program, the GEF conducted a project implementation review in 1995. The project implementation review will be an annual feature of the monitoring and evaluation program. The second project implementation review is under preparation, and the Implementing Agencies are scheduled to meet with the GEF Senior Monitoring and Evaluation Officer in early 1997 in order to undertake the review for 1996 activities.

35. All of the projects examined during the first review were approved during the GEF Pilot Phase. Although most of the ongoing projects were in the early stages of implementation, an effort was made to draw some operational lessons and to identify well-performing GEF activities. Lessons learned through the Project Implementation Review are summarized below:

(i) Participation

36. One of the most striking points that came through in the review is the strong interagency consensus that effective public involvement in GEF projects has contributed significantly to improving conditions for project performance. Data from the projects clearly showed that public involvement activities initiated early in the project cycle promoted ownership and accountability, developed sensitivity to the needs of affected people, and created broad support for the project.

(ii) Project Information Base

37. The reporting procedures from many projects underscored the importance of adequate baseline data for successful project implementation. The compilation of sound economic and social data during project preparation was considered an important factor toward meeting the project objectives.

(iii) Implementation Plans

38. Clearly formulated project objectives with understandable operational consequences together with advance preparation of detailed implementation plans with assigned responsibilities have contributed to building executing agency support and facilitating implementation progress. Clarity on these points may also contribute positively to efforts in increased local capacity building. Performance indicators should be integrated in the project design and not left to refinement after the project has been approved.

(iv) Institutional capacity

39. An effective project design should ensure that the tasks to be implemented under the project do not exceed the scope or capabilities of the institutions charged

with carrying them out. To this end, established institutions seem to be more successful project executors than new institutions established by the project. Another point made during the review was the need for dedicated project managers in the executing agencies who would be allocated to work on a full-rather than on a part-time basis.

(v) Training

40. Training can help to improve the capacities of the executing institutions at local and national levels, and should be fitted to the particular needs of the country concerned. It is not only the content but also the duration of training that must be adjusted to a particular project's objectives. In some cases, different levels of training are needed before knowledge can be successfully absorbed. For instance, through an energy efficiency project in Peru, institutional strengthening and support was given to an NGO, and through the energy audits stimulated by this project, cost-effective GHG emission reductions resulted.

(vi) Regional and Global Projects

41. Regional and global projects can enhance networking, and active systems for international information exchange, particularly among developing countries, are certainly needed. Regional projects may sometimes present economic, scientific, and technical advantages but would generally appear to need established institutions to provide effective project implementation. Some of the implementation delays experienced suggested difficulties in obtaining country commitment and in-country ownership.

CONCLUSIONS

42. With the consolidation of the GEF institutional structure and its policy framework, including the adoption of the GEF Operational Strategy in October 1995, the restructured GEF is now fully operational. The GEF has demonstrated that it institutionally complies with the provisions of Article 11 of the Convention and this has been formalized in the Memorandum of Understanding approved by the Conference of the Parties and the GEF Council. As is clear from its activities, the GEF has been fully responsive to the guidance of the Conference of the Parties concerning the policies, program priorities and eligibility criteria related to the Convention. As such, it is well-suited to be designated as the entity entrusted to operate the financial mechanism of the Convention.

**LIST OF STATES PARTICIPATING IN THE RESTRUCTURED GEF
(as of December 20, 1996)**

COUNTRY	DATE OF NOTIFICATION OF PARTICIPATION
1. Afghanistan	4/7/94
2. Albania	5/6/94
3. Algeria	5/13/94
4. Antigua and Barbuda	3/29/94
5. Argentina	5/12/94
6. Armenia	6/16/94
7. Australia	6/27/94
8. Austria	6/21/94
9. Azerbaijan	7/24/95
10. Bahamas	4/19/94
11. Bangladesh	6/22/94
12. Barbados	5/13/94
13. Belarus	3/30/94
14. Belgium	1/30/95
15. Belize	4/29/94
16. Benin	6/29/94
17. Bhutan	
18. Bolivia	6/17/94
19. Botswana	7/12/94
20. Brazil	6/13/94
21. Bulgaria	3/22/94
22. Burkina Faso	8/24/94
23. Cambodia	1/31/95
24. Cameroon	10/31/94
25. Canada	7/6/94
26. Cape Verde	7/18/94
27. Central African Republic	3/23/95
28. Chad	7/27/94
29. Chile	7/1/94
30. China	5/16/94
31. Colombia	6/28/94
32. Comoros	9/5/95
33. Cook Islands	5/6/94
34. Costa Rica	5/19/94
35. Côte d'Ivoire	6/24/94
36. Cuba	4/4/94
37. Croatia	3/4/94
38. Czech Republic	6/30/94
39. Denmark	6/9/94
40. Djibouti	5/24/94
41. Dominica	6/8/94
42. Dominican Republic	4/21/94
43. Ecuador	6/23/94
44. Egypt	6/8/94
45. El Salvador	5/20/94
46. Eritrea	12/27/95
47. Estonia	5/12/94

COUNTRY	DATE OF NOTIFICATION OF PARTICIPATION
48. Ethiopia	10/27/94
49. Fiji	5/10/94
50. Finland	6/9/94
51. FYR of Macedonia	7/7/94
52. France	6/20/94
53. Gambia	8/16/94
54. Georgia	7/8/94
55. Germany	6/23/94
56. Greece	5/11/94
57. Grenada	4/20/94
58. Guatemala	5/20/94
59. Guinea	10/17/94
60. Guyana	5/12/94
61. Haiti	5/10/94
62. Honduras	9/6/94
63. Hungary	6/22/94
64. India	5/12/94
65. Indonesia	6/29/94
66. Iran (IR)	5/25/94
67. Ireland	6/14/94
68. Israel	3/19/95
69. Italy	6/28/94
70. Jamaica	6/29/94
71. Japan	6/27/94
72. Jordan	5/10/94
73. Kenya	5/25/94
74. Kiribati	5/10/94
75. Korea (D.P.R.)	5/6/94
76. Korea (Rep)	5/3/94
77. Lao (P.D.R.)	8/2/94
78. Latvia	6/27/94
79. Lebanon	7/21/94
80. Lesotho	6/29/94
81. Libya	12/13/94
82. Lithuania	5/13/94
83. Luxembourg	4/28/95
84. Madagascar	7/14/94
85. Malawi	2/23/96
86. Malaysia	5/4/94
87. Maldives	8/25/94
88. Mali	7/4/94
89. Malta	7/27/94
90. Marshall Islands	4/15/94
91. Mauritania	5/8/94
92. Mauritius	7/4/94
93. Mexico	5/17/94
94. Micronesia (F.S.)	4/26/94
95. Moldova	10/27/95
96. Mongolia	4/14/94
97. Morocco	6/29/94
98. Mozambique	12/27/95

COUNTRY	DATE OF NOTIFICATION OF PARTICIPATION
99. Myanmar	5/13/94
100. Nauru	5/5/94
101. Nepal	8/10/94
102. Netherlands	6/20/94
103. New Zealand	5/18/94
104. Nicaragua	5/19/94
105. Niger	8/23/94
106. Nigeria	7/12/94
107. Niue	5/4/94
108. Norway	7/1/94
109. Pakistan	4/8/94
110. Panama	4/7/94
111. Papua New Guinea	5/6/94
112. Paraguay	2/15/95
113. Peru	6/14/94
114. Philippines	6/16/94
115. Poland	4/18/94
116. Portugal	6/17/94
117. Romania	7/29/94
118. Russian Federation	6/23/94
119. Saint Lucia	3/31/94
120. Saint Vincent and the Grenadines	5/4/94
121. Samoa	3/28/94
122. Senegal	4/7/94
123. Sierra Leone	9/6/94
124. Slovak Republic	11/01/94
125. Slovenia	7/12/94
126. Solomon Islands	4/16/94
127. South Africa	7/6/94
128. Spain	6/9/94
129. Sri Lanka	5/26/94
130. St. Kitts and Nevis	7/25/94
131. Sudan	6/14/94
132. Suriname	5/12/94
133. Swaziland	5/16/94
134. Sweden	6/28/94
135. Switzerland	7/1/94
136. Syria	4/15/96
137. Tanzania	3/26/96
138. Thailand	6/30/94
139. Togo	7/21/94
140. Tonga	5/4/94
141. Trinidad and Tobago	5/19/94
142. Tunisia	5/13/94
143. Turkey	7/6/94
144. Tuvalu	5/3/94
145. Uganda	6/28/94
146. Ukraine	6/15/94
147. United Kingdom	6/13/94
148. United States	6/24/94
149. Uruguay	4/22/94

COUNTRY	DATE OF NOTIFICATION OF PARTICIPATION
150.Uzbekistan	4/5/95
151.Vanuatu	5/19/94
152.Venezuela	7/1/94
153.Vietnam	5/12/94
154.Yemen	3/30/94
155.Zambia	6/13/94
156.Zimbabwe	7/7/94

SUMMARY OF CLIMATE CHANGE ACTIVITIES
(in US\$ millions)

ACTIVITIES	PILOT PHASE	CO-FINANCING	GEF	Co-FINANCING	TOTAL
Project Preparation	7.64	--	4.47	--	12.11
Enabling Activities	42.50	7.69	28.28	1.21	79.68
Projects	215.90	1914.51	229.18	806.35	3165.94
TOTAL	266.04	1914.51	261.93	815.25	3257.73

MULTI-FOCAL WITH CLIMATE CHANGE COMPONENTS

ACTIVITIES	PILOT PHASE	CO-FINANCING	GEF	Co-FINANCING	TOTAL
Project Preparation	0.10	--	0.87	--	0.97
Projects	19.90	4.30	57.44	13.00	94.64
TOTAL	20.00	4.30	58.31	13.00	95.61

PROJECT PREPARATION FINANCING
(in US\$ millions)

COUNTRY	PROJECT NAME	AMOUNT
I. PILOT PHASE PROJECT FINANCING PREPARATION		
Regional (Bulgaria, Hungary, Romania, Russian Federation)	Energy Efficiency Strategies	0.40
Regional (Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay)	Greenhouse Gas Assessment and Least Cost Global Mitigation Strategies	0.30
Brazil	North East Forestation	0.10
Brazil	Biomass Power	0.48
Cameroon	Global Warming Mitigation	0.40
China	Sichuan Gas Transmission	1.40
Jamaica	Demand Side Management Demonstration	0.13
Jordan	Methane Reduction	0.20
Morocco	Repowering of Power Plant	0.50
Poland	Coal-to-Gas Conversion	0.33
Romania	Fuel Cells Power Plant	0.30
Syria	Electricity Management	0.50
Thailand	Energy Efficiency	0.60
Tunisia	Solar Water Heating	0.20
Venezuela	Methane Leaks	1.00
Yemen	LPG Substitution	0.80
<i>Sub-total</i>		7.64

COUNTRY	PROJECT NAME	AMOUNT
II. PROJECT PREPARATION FINANCING		
Global (India, Kenya, Morocco)	Photovoltaic Market Transformation Initiative	0.05
Regional (Africa)	An Integrated Strategy for Promoting Sustainable Response to Climate Change in Africa	0.03
Regional (Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Granada, Guyana, Jamaica, St. Kitts and Nevis, St. Lucia, Trinidad and Tobago)	CARICOM: Planning for Adaptation to Climate Change	0.31
Regional (Antigua and Barbuda, Cuba, Grenada, St. Kitts)	Caribbean Renewable Energy Project	0.03
Regional (Burkina Faso, Mali, Niger, Senegal)	Carbon Fixation and Measures against Desertification and Fragile Desert Margins	0.03
Argentina	Renewable Energy for Rural Markets	0.12
Argentina	Waste Gas Re-injection	0.10
Armenia	Country Study on Climate Change	0.01
Bhutan	National GHG Inventory and Adaptation Assessment	0.01
Bolivia	Renewable Energy	0.24
Bolivia	Flaring Reduction Study	0.03
Cameroon	Regional Environmental Information Project	0.03
China	Renewable Energy Promotion	0.14
China	Efficient Industrial Boilers	0.75
China	Energy Conservation Promotion	0.70
China	Energy Efficient CFC-free Refrigerators	0.24
Colombia	Bagasse Power Generation	0.03
Colombia	LPG/CNG Fuel Switching in Vehicles	0.03

COUNTRY	PROJECT NAME	AMOUNT
Cuba	Development of Electric Energy from Sugarcane Biomass for displacing Fossil Fuel Consumption	0.35
Ghana	Renewable Energy-based Electricity for Rural Social and Economic Development	0.06
India	Solar Thermal-Electric	0.75
India	Biomass Energy for Rural India	0.20
Russia	Capacity Building to reduce key Regional Energy Efficiency barriers to Energy Efficiency in Russian Residential Buildings and Heat Supply	0.03
Sri Lanka	Energy Services Delivery	0.20
Sri Lanka	Renewable Energy and Capacity Building	0.02
Sudan	National Capacity building to enable the Government of Sudan to respond to its Communications	0.02
Sudan	Photovoltaics	0.03
<i>Sub-total</i>		4.54
TOTAL		12.18

**ENABLING ACTIVITIES
AND CAPACITY BUILDING**
(in US\$ millions)

COUNTRY	PROJECT NAME	GEF FINANCING	Co- FINANCING	TOTAL
I. GEF PILOT PHASE SUPPORT FOR CAPACITY BUILDING				
Global	IPCC: Capacity Building and Infrastructure: Participation in the Assessment, Methodology-development and other activities of the Intergovernmental Panel on Climate Change (IPCC)	2.80	2.90	5.70
Global (Costa Rica, the Gambia, Mexico, Morocco, Poland, Senegal, Tanzania, Uganda, Venezuela)	Country Case Studies on Sources and Sinks of Greenhouse Gases	4.50	0.09	4.59
Global	Global Change System for Analysis, Research and Training (START)	7.00	--	7.00
Global	Monitoring of Greenhouse Gases including Ozone	4.80	1.20	6.00
Global	Research Programme on Methane Emissions from Rice Fields	5.00	--	5.00
Global (Lithuania, Vietnam, Zimbabwe)	Climate Change Capacity Building (CC: TRAIN - Phase I)	0.90	--	0.90
Regional (Ghana, Kenya, Mali, Zimbabwe)	Building Capacity in sub-Saharan Africa to respond to the UNFCCC on Climate Change	2.00	--	2.00

COUNTRY	PROJECT NAME	GEF FINANCING	Co- FINANCING	TOTAL
Regional (China, India, Indonesia, Republic of Korea, Mongolia, Myanmar, Pakistan, Philippines, Thailand, Vietnam)	Asia Least-cost GHG Abatement Strategy Project (ALGAS)	9.50	3.50	13.00
Regional (Algeria, Libya, Morocco, Tunisia)	Building Capacity in the Mahgreb to Respond to the Challenges and Opportunities created by National Response to the Framework Convention on Climate Change	2.50	--	2.50
China	Issues and Options in GHG Emissions Control	2.00	--	2.00
India	Cost-effective Options for Limiting Greenhouse Gas Emissions	1.50	--	1.50

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
II. ENABLING ACTIVITIES				
Global (Argentina, Ecuador, Estonia, Hungary, Senegal, Indonesia, Mauritius, Vietnam)	Economics of GHG Limitation - Phase I	3.00	0.27	3.27
Global (Antigua and Barbuda, Estonia, Cameroon, Pakistan)	Country Case Studies on Climate Change Impacts and Adaptations Assessment - Phase I	2.00	--	2.00
Global (Benin, Bolivia, Chad, Cook Islands, Cuba, Ecuador, Fiji, Kiribati, Marshall Islands, Nauru, Paraguay, Peru, Samoa, Senegal, Solomon Islands, Tuvalu, Vanuatu)	CC: TRAIN Phase Two - Training Programme to Support the Implementation of the UNFCCC	2.70	0.50	3.20
Regional (Cook Islands, Fiji, Kiribati, Nauru, Marshall Islands, Micronesia, Tuvalu, Solomon Islands, Vanuatu, Western Samoa)	Pacific Island Climate Change Assistance Project (PICCAP)	2.44	--	2.44
Regional (Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Granada, Guyana, Jamaica, St. Kitts and Nevis, St. Lucia, and Trinidad and Tobago)	Planning for Adaptation to Climate Change	6.30	--	6.30
Albania	Enabling Activities	0.28	--	0.28
Argentina	Enabling Activities	1.00	--	1.00
Armenia	Enabling Activities	0.35	--	0.35
Bhutan	Enabling Activities	0.30	--	0.30
Botswana	Enabling Activities	0.35	--	0.35
Brazil	Enabling Activities	1.50	--	1.50
Chile	Enabling Activities	0.35	--	0.35
Costa Rica	Enabling Activities	0.47	0.13	0.60

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
II. ENABLING ACTIVITIES (cont.)				
DPR Korea	Enabling Activities	0.15	--	0.15
Egypt	Enabling Activities	0.40	--	0.40
Eritrea	Enabling Activities	0.30	--	0.30
Georgia	Enabling Activities	0.33	--	0.33
Jordan	Enabling Activities	0.24	--	0.24
Lao PDR	Enabling Activities	0.31	--	0.31
Lebanon	Enabling Activities	0.29	--	0.29
Lesotho	Enabling Activities	0.35	0.05	0.40
Malaysia	Enabling Activities	0.47	0.16	0.63
Maldives	Enabling Activities	0.86	--	0.86
Mexico	Enabling Activities	0.31	--	0.31
Papua New Guinea	Enabling Activities	0.35	--	0.35
Seychelles	Enabling Activities	0.25	--	0.25
Sierra Leone	Enabling Activities	0.31	--	0.31
Sudan	Enabling Activities	0.29	--	0.29
Tunisia	Enabling Activities	0.57	0.10	0.67
Uganda	Enabling Activities	0.08	--	0.08
Uruguay	Enabling Activities	0.70	--	0.70
Uzbekistan	Enabling Activities	0.33	--	0.33
Zaire	Enabling Activities	0.35	--	0.35
<i>Sub-total</i>		28.28	1.21	29.49
TOTAL		70.78	8.90	79.68

PILOT PHASE CLIMATE CHANGE PROJECTS
(in US\$ millions)

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
ENERGY EFFICIENCY (Thematically related to Operational Program No.5: <i>Removing barriers to energy conservation and energy efficiency</i>)				
Regional (Côte d'Ivoire, Senegal)	Control of Greenhouse Gas Emissions through Energy Efficient building Technology in West Africa	3.50	1.00	4.50
Chile	Reduction of Greenhouse Gas Emissions	1.70	--	1.70
Jamaica	Demand-side Management Demonstration	3.80	4.39	8.19
Mali	Household Energy	2.50	7.40	9.90
Mexico	High Efficiency Lighting Pilot	10.00	3.00	13.00
Morocco	Repowering of Power Plant	6.00	39.70	45.70
Peru	Technical Assistance to the Center for Energy Conservation	0.90	--	0.90
Poland	Efficient Lighting Project (PELP)	5.00	--	5.00
Thailand	Promotion of Electricity Energy Efficiency	9.50	31.00	40.50
<i>Sub-total</i>		42.90	86.49	129.39

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
RENEWABLE ENERGY (Thematically related to Operational Program No.6: <i>Promoting the adoption of renewable energy by removing barriers and reducing implementation costs</i>)				
India	Optimizing Development of Small Hydel Resources in the Hilly Regions	7.50	--	7.50
India	Development of High Rate BioMethanation Processes as means of Reducing Greenhouse Gas Emissions	5.50	--	5.50
Mauritania	Decentralized Wind Electric Power for Social and Economic Development	2.00	2.00	4.00
Mauritius	Sugar Bio-Energy Technology	3.30	51.80	55.10
Tanzania	Electricity, Fuel and Fertilizer from Municipal and Industrial Organic Waste in Tanzania: A Demonstration of Biogas Plant for Africa	2.50	1.40	3.90
Tunisia	Solar Water Heating	4.00	16.90	20.90
Zimbabwe	Photovoltaics for Household and Community Use	7.00	--	7.00
<i>Sub-total</i>		31.80	72.10	103.90

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
REDUCING COSTS OF LOWGHG TECHNOLOGIES (Thematically related to Operational Program No.7: <i>Reducing the long-term costs of low greenhouse gas-emitting energy technologies</i>)				
Brazil	Biomass Integrated Gasification/Gas Turbine Project	7.70	--	7.70
Costa Rica	Tejona Wind Power	3.30	24.10	27.40
India	Alternate Energy	26.00	143.00	169.00
Philippines	Leyte Geothermanl	30.00	1303.60	1333.60
<i>Sub-total</i>		67.00	1470.70	1537.70

COUNTRY	PROJECT NAME	GEF FINANCING	Co-FINANCING	TOTAL
SHORT-TERM RESPONSE MEASURES				
Global	Alternatives to Slash and Burn	3.00	4.50	7.50
Benin	Village-based Management of Woody Savanna and the Establishment of Woodlots for Carbon Sequestration	2.50	--	2.50
China	Development of Coal Bed Methane Resources in China	10.00	--	10.00
China	Sichuan Gas Transmission and Distribution Rehabilitation	10.00	112.70	122.70
Iran	Tehran Transport Emissions Reduction	2.00	2.00	4.00
Pakistan	Fuel Efficiency in the Road Transport Sector	7.00	--	7.00
Pakistan	Waste-to-Energy: Lahore Landfill Gas Recovery and Use	11.00	15.00	26.00
Poland	Coal to Gas Project	25.00	23.32	48.32
Russian Federation	Greenhouse Gas Reduction	3.20	127.70	130.90
Sudan	Rangeland Rehabilitation	1.50	--	1.50
<i>Sub-total</i>		75.20	285.22	360.42
TOTAL		215.90	1914.51	2131.41

CLIMATE CHANGE PROJECTS
(IN US\$ MILLIONS)

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
OPERATIONAL PROGRAM NO. 5 REMOVING BARRIERS TO ENERGY EFFICIENCY				
China	Energy Conservation and Pollution Control in Town and Village Enterprises	1.0	--	1.0
China	Efficient Industrial Boilers	32.80	68.00	100.80
Syria	Supply-side Efficiency and Energy Conservation and Planning	4.07	25.79	29.86
<i>Sub-total</i>		37.87	93.79	130.66
<i>OUTSIDE FINANCIAL MECHANISM</i>				
Bulgaria	Energy Efficiency Strategy to Mitigate Greenhouse Gas Emissions	2.58	1.60	4.18
Hungary	Energy-Efficiency Co-financing Program	5.00	20.00	25.00
Romania	Capacity Building for GHG Emissions Reduction through Energy Efficiency	2.27	4.21	6.48
Russian Federation	Capacity Building to Reduce Key Barriers to Energy Efficiency in Russian Residential Buildings and Heat Supply	2.98	2.61	5.59
<i>Sub-total</i>		12.83	28.42	41.25

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
OPERATIONAL PROGRAM NO. 6 REMOVING BARRIERS TO RENEWABLE ENERGY				
Global (India, Kenya, Morocco)	Photovoltaic Market Transformation Initiative	30.00	90.00	120.00
Global	Renewable Energy and Energy Efficiency Fund	30.00	145.00	175.00
Brazil	Biomass Power Generation	3.75	2.77	6.52
China	Promoting Methane Recovery and Utilization from Mixed Municipal Waste	5.29	14.28	19.57
Ghana	Renewable Energy-based Electricity for Rural Social and Economic Development in Ghana	2.47	0.10	2.57
Indonesia	Renewable Energy Small Power (RESP)	6.00	150.00	168.00
Indonesia	Solar Home Systems (SHS)	24.30	37.50	74.30
Jordan	Reduction of Methane Emissions	2.50	1.50	4.00
Sri Lanka	Energy Services Delivery	7.30	41.50	53.80
Sri Lanka	Renewable Energy and Capacity Building	1.51	0.40	1.91
Uganda	Photovoltaics for Rural Electrification	1.76	--	1.76
<i>Sub-total</i>		114.88	483.05	627.43
<i>OUTSIDE FINANCIAL MECHANISM</i>				
Lithuania	Klaipeda Geothermal Demonstration	6.90	8.52	18.02
<i>Sub-total</i>		6.90	8.52	18.02

COUNTRY	PROJECT NAME	GEF FINANCING	CO-FINANCING	TOTAL
OPERATIONAL PROGRAM NO. 7 REDUCING COSTS OF LOW GHG				
India	Solar Thermal-Electric	49.00	176.00	245.00
	<i>Sub-total</i>	49.00	176.00	245.00
SHORT-TERM RESPONSE MEASURES				
Global	Alternatives to Slash & Burn Agriculture (ASB), Phase II	3.00	3.37	6.37
Senegal	Sustainable and Participatory Energy Management	4.70	13.20	18.90
	<i>Sub-total</i>	7.70	16.57	25.27
	TOTAL	229.18	806.35	1035.53

MULTI-FOCAL AREA PROJECTS
(WITH SIGNIFICANT CLIMATE CHANGE COMPONENTS)

REGION	PROJECT NAME	FOCAL AREAS	GEF- FINANCING	Co- FINANCING	TOTAL
I. PROJECT PREPARATION FINANCING					
Global	Population, Land Use and Environmental Change (UNDP)	--	0.10	--	0.10
Global	Project Development Workshops	All four focal areas	0.56	--	0.56
Global	Land Degradation Workshop	Climate Change and Biodiversity	0.10	--	0.10
Regional (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela)	Integrating GE Dimensions into Public Policy in Latin America	--	0.21	--	0.21
TOTAL			0.97	0.00	0.97

 II. PROJECTS

Global	Small Grants Programme	All four focal areas, mainly Climate Change and Biodiversity	38.94	3.50	42.44
Global	Small and Medium Scale Enterprise Program	Climate Change and Biodiversity	20.80	---	20.80
Global	Program for Measuring Incremental Costs for the Environment (PRINCE)	All four focal areas, mainly Climate Change and Biodiversity	2.60	0.80	3.40
Regional (Belize, Costa Rica, El Salvador Guatemala, Honduras, Nicaragua, Panama)	Central American Fund for Environment and Development: Account for the Global Environment	Climate Change and Biodiversity	15.00	13.00	28.00
TOTAL			77.34	17.30	94.64
