

**UNITED NATIONS DEVELOPMENT PROGRAMME
GLOBAL ENVIRONMENT FACILITY**

*Proposal for Review -
Expedited Financing for (Interim) Measures for
Capacity Building in Priority Areas Part II*

Country: ALBANIA

Project Title: Albania: Climate Change Enabling Activity (additional financing for capacity building in priority areas).

GEF Focal Area: Climate Change
Country Eligibility: Eligible under a financial mechanism of the UNFCCC
Eligible under paragraph nine (b) of the Instrument

Date of Ratification: October 3rd 1994

GEF Financing (Phase I): US\$ 263, 744
GEF Additional Financing (Phase II): US\$ 100, 000
Total Costs: US\$ 363, 744

GEF Implementing Agency: UNDP

Executing Agency: Government of ALBANIA

Local Counterpart Agency: National Environmental Agency

Estimated Date of Initial National Communication Submission: December 2001

Estimated Starting Date: January 2002

Project Duration: 12 months

CURRENT PROJECT STATUS:

The project "*Enabling Albania to prepare its first National Communication in Response to its Commitments to UNFCCC*" (ALB/96/G32), was launched in October 1998. The project activities have focused on:

- Compilation of a national greenhouse gas inventory for the base year 1994;
- Assessment of the potential impacts of climate changes in Albania and adaptation to climate change;
- Compilation of an analysis of potential measures to abate the increase in greenhouse gas emissions;
- Preparation of the National Action Plan to address Climate Change and its adverse impacts, and
- Compilation of the first National Communication of Albania to the UNFCCC.

Beside the **immediate objective** to prepare the first National Communication, the project has contributed to enhancing general awareness and knowledge of climate change -related issues in Albania; strengthening the dialogue, information exchange and cooperation among all relevant stakeholders including governmental, non-governmental, academic and private sectors; and building national capacities, and providing a permanent mechanism and trained national staff to regularly update different elements of the project, especially the emission inventory.

All project activities, are foreseen to be successfully finalized by the end of the year 2001. The first National Communication of Albania to the COP of UNFCCC is expected to be submitted in December 2001. A draft report for the phase I of the project will be submitted to the UNDP-GEF prior start-up of the phase II of Enabling Activity.

The project has contributed to building national capacities through the compilation of the national greenhouse gas inventory, analysis of greenhouse gas abatement, assessment of vulnerability and adaptation, workshops, training sessions, and technical and consultative meetings. Each of these are described briefly below.

Capacity building for the preparation of National Communication to the UNFCCC:

National greenhouse gas inventory.

The report on national greenhouse gas inventory, for the base year 1994 was finalized in December 2000 and was subject to review by the GEF-National Communication Support Program.

The greenhouse gas inventory for Albania was developed according to the revised IPCC (Intergovernmental Panel on Climate Change) guidelines of 1996 and considered five inventory related sectors: Energy, Industrial processes, Agriculture, LUCF, and Waste. The Solvent use sector has been considered as well, but since the IPCC methodology does not provide any method of estimation of emission, the CORINAIR methodology was used. Emissions of direct greenhouse gases (CO₂, CH₄, N₂O) and indirect greenhouse gases (NO_x, CO, NMVOC and SO₂), expressed in CO₂ equivalent, have been calculated.

This report has provided the basis for the development of the greenhouse gas abatement analysis. More information provided on the web page: <http://www.cc.alb.org>

Greenhouse gas abatement analysis:

The same national team already engaged in inventory compilation, worked on the abatement analysis as well. A detailed analysis, using LEAP model has focused on energy and transport sectors. Also a qualitative analysis was conducted for non-energy sectors. The baseline and future greenhouse gas emission scenarios (for the time horizon 2020) has been developed and an assessment of options and measures for abatement of greenhouse gas emissions has been conducted.

Vulnerability and adaptation assessment:

The report on V&A was completed in January 2001. This report was prepared according to *Technical Guidelines for Assessing Climate Change Impacts and Adaptations*¹ and has focused on the assessment of the expected climate impacts in *hydrosphere, natural and managed ecosystems (agriculture and forestry), energy, industry, transport, health and sanitation, tourism, and population.*

The *environmental and socio-economic trends* with climate change are projected by using statistical models, empirical analogues and expert judgment for three time horizons, years 2025, 2050 and 2100. According to this report, the most expected vulnerable areas are water resources, agriculture and forestry especially in the coastal zone, followed by public health.

A set of *alternative suggestions/recommendations* to be taken into consideration during the preparation of the national strategies for each sector has already been prepared, guided by two main goals (i) *the promotion of the sustainable development* and (ii) *the reduction of vulnerability* (by using multicriteria analysis).

Capacity building through national, regional, inter-regional Workshops and Training:

First initiation workshop of the project - was held in March 1999 in Tirana, Albania. This workshop brought together participants from all project relevant sectors. This workshop presented the project objectives and activities. It also took stock of and clarified the links to other ongoing or already finalized activities relevant to the project, identified existing national capacities relevant to the project, reviewed the draft-working plan and clarified the institutional and other practical arrangements. The workshop participants were informed about the greenhouse effect, climate change and its impacts, and related issues. It was the first workshop on awareness building for Climate Changes in Albania.

Hands-on training workshop on IPCC methodology - was held in March 2000, in Tirana, Albania. This one week workshop provided hands-on training for the national team on greenhouse gas inventories. Other interested experts from different national institutions and

¹ **IPCC 1994.** Technical Guidelines for Assessing Climate Change Impacts and Adaptations. CGER-I015-'94.

ministries participated in this workshop. This training provided a very good basis for conducting the national greenhouse gases inventory.

Training workshop on V&A - was held in August 2000. This workshop provided training for a national team on V&A methods and models for development of climate scenarios and scenarios of other vulnerable sectors. This training was provided by the Team leader who was experienced in leading studies on expected impacts of climate changes.

Hands-on training workshop on abatement analysis - was held in September 2000, in Tirana, Albania. This one week workshop aimed to provide hands-on training for the national team on abatement analysis. Relevant national institutions and ministries were invited to participate in this training workshop.

Regional thematic - training workshop on abatement analysis - organized by UNDP-GEF's NCSP, was held in Tbilisi, Georgia, in October 1999. This one week workshop provided an overview of abatement analysis of greenhouse gases for preparing the National Communication, helping to identify priority sectors and issues at national and regional level, facilitating exchange of national experiences on the process of conducting abatement analysis, and identifying follow-up activities for technical support and capacity building.

Regional thematic training workshop on Vulnerability and Adaptation Assessment - organized by the UNDP-GEF's NCSP and held in Chisinau, Moldova in January 2000. The main objectives of the workshop were to discuss national priorities, to exchange experience on methodological and organizational - issues of V&A, to provide training on preparation of climate change scenarios and to discuss funding possibilities for adaptation measures.

Regional exchange workshop on National Communications for Europe and CIS -organized by UNDP-GEF's NCSP, held in Yerevan, Armenia in October 2000. This workshop provided an opportunity to discuss national and regional priorities for National Communications. The main objective of the workshop was to identify options for improving the technical studies for national communication through identification of project activities to incorporate into project proposal in inventory, abatement and V&A; assessment of existing in-country infrastructure and identification of priorities for technical assistance needs.

Inter-regional workshop of CGE (Consultative Group of Experts) on National Communications from Non Annex I Countries - organized by CGE on National Communications from non-Annex I Parties as mandated by decision 8/CP.5 of the Conference of the Parties (COP), in close collaboration with the UNFCCC secretariat, held in Panama City, Panama on March 2001. The main objectives of the workshop were: to facilitate the exchange of experiences, problems encountered, and lessons learnt from the preparation of national communications, to make recommendations for enhancing the preparation of national communications from non-Annex I Parties (decision 8/CP.5), and to make recommendations on elements for consideration by the Subsidiary Body for Implementation in the revision of the UNFCCC guidelines for the national communication from non-Annex I Parties.

Technical/Consultative and Project Steering Committee Meetings.

Technical/Consultative meetings

Since 1998 when project began, a series of 11 technical and consultative meetings of experts from the three national teams (inventory, abatement analysis and V&A) has been held. Joint meetings (expert and PSC meetings) have been held to review the final reports - prepared by the national teams.

Project Steering Committee meetings

Since March 1999, when the PSC was established, five PSC meetings have been held. These meetings focused on the problems/constraints, - raised during the implementation of the project and the PSC was asked to intervene as mandated by the TORs of the PSC., progress report on the status of implementation of the project was submitted to each of these meetings.

The Implementing Agency and the GEF focal point of Albania have satisfied themselves that the proposal for additional funding complies with the Operational Criteria for the expedited financing of climate change enabling activities.

By undertaking the Phase II enabling activity, Albania is aware that they must await both the future decisions of the Conference of the Parties regarding the preparation of second national communications and GEF guidelines to operationalize those decisions.

2. ACTIVITIES TO BE INVOLVED IN PHASE II PROJECT:

The National Communication Support Programme (NCSP) is currently developing regional/global proposals in several areas of work that might have implications for the national activities described in this project. Implementation of the project will be carried out in close coordination with the NCSP to ensure that areas of synergy will be identified where possible, and to avoid duplication for cost effectiveness. The country will be informed of the proposed NCSP activities as soon as they are underway.

Additional funds are requested from the Government of Albania under the Operational Guidelines for Expedited Financing of Climate Change Enabling Activities (EA) - Phase II. The **immediate objective** of this phase is to maintain and enhance national capacities to prepare National Communications, to ensure a continuity and improvement of this process. Raising public awareness regarding climate change issues is another objective of the phase II. Additional activities² will be undertaken to meet the country's needs to build capacities for identification and assessment of technology.

A. Technology Transfer:

(i) Identification/submission of technology needs:

An initial preliminary assessment of the technology needs for both greenhouse gas emissions reduction and adaptation to climate change has been made during the first phase. The identification and assessment of technology needs will be the starting point for additional work by the Government of Albania, after the completion of the First National Communication.

During phase II, an extension and a detailed evaluation of relevant, cost-effective technologies is to be carried out by the national team of experts. This evaluation will be focused on both *emission reduction* and *adaptation technologies*.

The expected outputs and activities are described below.

Output 1: Identification of technology needs for emission reduction

- Activity 1.1: Review the evaluation for technology needs submitted in the frame of the First National Communication
- Activity 1.2: Identify the currently - used technologies in energy and non-energy sources.
- Activity 1.3: Identify the greatest polluting sources/technologies
- Activity 1.4: Collect information on cost- effective abatement technologies (energy efficient, renewable energies tech.) via different sources.
- Activity 1.5: Study, select and adapt new identified technologies to national conditions
- Activity 1.6: Identify the existing barriers for introduction of new technologies (information, funds, legislation, etc.)
- Activity 1.7: Write a report on identified technology needs for emission reduction.
- Activity 1.8: Design a project proposal on introduction of new technologies of greenhouse gas reduction and removing the identified barriers.

² These additional activities will not delay the Albanian submission of the First National Communication.

Output 2: Identification of technology needs for adaptation

- Activity 2.1: Review the evaluation for technology needs submitted in the frame of the First National Communication
- Activity 2.2: Identify currently used technologies in the most vulnerable sectors.
- Activity 2.3: Identify the clean adaptation technologies (wetland restoration and preservation, water-soil preservation, forest and improved agricultural development tech). via different sources
- Activity 2.4: Identify the existing barriers for introduction of new technologies (info, funds, legislation etc.)
- Activity 2.5: Write a report on identified technology needs for adaptation to climate change.
- Activity 2.6: Design a project proposal on introduction of new adaptation technologies, removing the identified existing barriers

(ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects.

Assessment, identification and evaluation of technology needs, require additional national capacity building. This capacity building will be focused on: *technical training of national capacities* on modalities to acquire, absorb and adapt them to the Albanian economic development, design, evaluate and host projects.

The expected outputs and activities are as follows:

Output 3: Establishment of national, regional and international networks:

- Activity 3.1 Identify and create links to relevant national - regional and international sources of information to gather lessons learned and experience from the similar ongoing or already finalized activities.
- Activity 3.2 Establish a dialogue among stakeholders, parties and organizations

Output 4: Establishment of a national database

- Activity 4.1: Maintain and update the national climate change web-site with new links relevant to clean technologies.
- Activity 4.2: Create a data-base on identified existing technologies, new clean technologies needed, regional/international markets dealing with them.

Output 5: Training of national experts

- Activity: 5.1 Train national experts on identification, assessment, modalities, evaluation and absorption of technology needs according to national conditions and economically acceptable to the Albanian market.
- Activity 5.2 Train national experts on designing and hosing projects for introduction of new technologies to reduce GHG emissions and to adapt to climate change.

Activity 5.3 Train national experts and other stakeholders (train of trainers), on raising public awareness on advanced technologies for reduction of greenhouse gas emissions and adaptation to climate change.

Activity 5.4 Provide different training materials gathered through different sources.

Output 6 Compilation of the final report

Activity 6.1 Combining all of the individual reports into a final report that would represent all work conducted under the Phase II EA

3. PROJECT MANAGEMENT/INSTITUTIONAL ARRANGEMENT

The phase II activities are expected to provide a continuity between Phase I and II stages. The Phase II activities are expected to begin on January 2002. This Phase will be executed by National Environmental Agency and implemented by UNDP Country Office, maintaining the same managerial and institutional framework, already successfully used in Phase I.

The same National Project Coordinator and project support staff are foreseen to continue the work during this phase. The national teams, already established during the phase I, are expected to be involved in this phase.

The Project Steering Committee, as the policy making body, established in the first phase will support the Phase II project. All other networks already established during the phase I will continue to act during the Phase II enabling activity.

4. MONITORING AND EVALUATION

The project will rely on UNDP monitoring and evaluation practices including a midterm evaluation and a tri-partite review, to be held within the first nine months of the start up of the project.

Prior to the release of GEF additional financing by the UNDP for the phase II activities, standard UNDP monitoring and evaluation practices will be followed for phase I. In particular, the UNDP will receive a copy of the latest (i.e., within the past six months). Annual Program/Project Report (APR) and Tripartite Review Report (TPR). At the end of phase II, a terminal Report on Phase II will be submitted to UNDP Headquarters.

TABLE C 2

**ACTIVITY MATRIX FOR PHASE II OF CLIMATE CHANGE ENABLING ACTIVITIES:
Priority activities for additional (interim) funding**

Note: ✓ denotes activities covered by the proposed project

Activity	Planning and Execution	Capacity Maintenance/ Enhancement		
		Data Gathering and Research	Institutional Strengthening	Training, Education and Public Awareness
2. A (i) Identification and submission of technology needs	X	X	X	X
2. A. (ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects	X	X	X	X
2. B. Capacity building for participation in systematic observation networks				
2. C. Preparation of programs to address climate change				

Table D 2**PROJECT BUDGET ACCORDING TO GEF ACTIVITY NORMS IN US DOLLARS****Cost estimates for (interim) priority activities**

Activity	Planning and Execution	Capacity Maintenance/ Enhancement			Technical and Administrative Support	Cost Estimates
		Data Gathering and Research	Institutional Strengthening	Training, Education and Public Awareness		
2.A (i) Identification and submission of technology needs	\$ 16,000	\$25,000	\$18, 000	\$ 20, 000	\$9,000	\$88,000
2. A (ii) Capacity building to assess technology needs, modalities to acquire and absorb them, design, evaluate and host projects						
2. B. Capacity building for participation in systematic observation networks						
2. C. Preparation of programs to address climate change						
3. Project management						
4. Monitoring & Evaluation			\$2,000		\$ 2,000	
Total	\$ 46,000		\$20,000	\$24,000	\$10,000	\$100,000