



1 July 2008

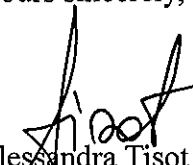
Dear Mr. Wang,

**Subject: Signed Project Document for UNDP Project 00046896 -
Environmentally Friendly City Initiative (EFCI)**

I am pleased to attach herewith two copies of the above-mentioned fully signed Project Document for your record. We would also appreciate it if you could forward one copy to the Shanghai Environmental Protection Bureau for their record.

We look forward to your continuing cooperation.

Yours sincerely,



Alessandra Tisot
Country Director a.i.

Mr. Wang Yue
Director General
CICETE
Ministry of Commerce

**Government of People's Republic of China
United Nations Development Programme**

Project Document

**Project Title:
Environmentally Friendly City Initiative**

Brief Description: The Environmentally Friendly City Initiatives (EFC) will assist Shanghai to achieve environmental sustainability and become an internationally recognized environmentally friendly city by 2010. The program will 1.) design and implement an environmentally friendly city index (EFCI), 2.) integrate environmental concerns into development planning and decision making through the use of the EFCI, 3.) promote national public awareness raising, 4.) establish a private sector and sister city partnership forum for environmental sustainability and 5.) launch a series of pilot projects led by Shanghai World Expo 2010 demonstrating partnership between government, business, and public.

Signature Page

Country: People's Republic of China

UNDAF Outcome: Outcome 3 – More Efficient management of natural resources and development of environmentally friendly behavior by 2010

Expected CP Outcome: Outcome 7 – Conservation and sustainable use of biodiversity is more effective

Expected CP Output: Output 7.3 – Capacity of CSOs and communities to participate in biodiversity conservation activities strengthened

Government Coordinating Agency / Implementing Partner: China International Centre for Economic & Technical Exchanges (CICETE)

Cooperating Agencies: Shanghai Environmental Protection Bureau (SEPB)
Shanghai Academy of Environmental Sciences (SAES)

Programme Period:	2006-2010	Total Budget:	\$500,000
Programme Component:	Achieving the MDGs and reducing human poverty	(without Gov't Parallel Fund)	
Intervention Title:	Environmentally Friendly City Initiative	Allocated resources:	
Budget Code :	project ID:00046896	• Third Party (ArcelorMittal) :	\$500,000
Duration:	2008-2010	• Government (SEPB) :	\$1,000,000 (Parallel)
		Budget with Gov't Parallel Fund:	\$1,500,000

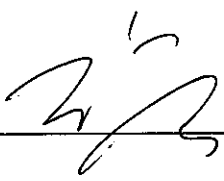
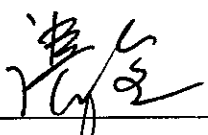
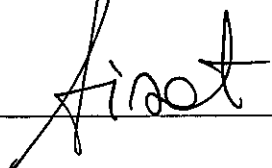
Agreed by:	Signature	Date	Name and Title
Government Coordinating Agency/ – CICETE: Implementing Partner		11/6. 2008	Director General China International Center for Economic & Technical Exchanges
Government Cooperating – SEPB: Agency		06/23, 2008	Director Shanghai Environmental Protection Bureau
UNDP:		2/7/08	Alessandra Tisot Sr. Deputy Resident Representative

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Abbreviations and Acronyms

CDD	Campaign Description Document
CICETE	China International Centre for Economic & Technical Exchanges
EA	Environmental Awareness
EC	European Commission
EE	Environmental Education
EFC	Environmentally Friendly City Initiatives
EFCI	Environmentally Friendly City Index
EIA	Environmental Impact Assessment
EIC	Environmental Information Center
GOC	Government of the People's Republic of China
MDGs	Millennium Development Goals
NDRC	National Development and Reform Commission
NEX	National Execution
NGO	Non-governmental organization
NPD	National Program Director
NPM	National Program Manager
PAG	Project Advisory Group
PIU	Project Implementation Unit
PRC	People's Republic of China
PSA	Public Service Announcement
PSC	Program Steering Committee
SAES	Shanghai Academy of Environmental Sciences
SEPB	Shanghai Environmental Protection Bureau
SEPC	Shanghai Environmental Protection Committee
SEMC	Shanghai Environmental Monitoring Center
STT	Subject to Tender
TBD	To be determined
TVC	Television commercial
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNHABITAT	United Nations Human Settlements Programme

Section I – Background

Part 1. Situation Analysis

1.1 Global Context

Sustainable development is defined as “the development that meets the needs of the present without compromising the ability of the future generations to meet their needs.” At the 1992 Earth Summit in Rio de Janeiro, the international community adopted Agenda 21, a comprehensive blueprint for action to achieve sustainable development through the practice of environmental governance. Since the adoption of Agenda 21 significant progress has been made at the regional level in Asia and the Pacific including updating of environmental laws, introduction of new ones, the establishment of new institutions for environmental governance, and the formulation of national environmental strategies focused on sustainable development.

The Millennium+5 Summit in September 2005 brought together world leaders to review progress towards achieving the *Millennium Development Goals* (MDGs). The MDGs are a set of eight inter-connected goals that UN member states pledged to achieve by the year 2015, with an over-arching goal of reducing extreme poverty by half by the year 2015. While the world as a whole is on track towards achieving *MDG Goal 1 – Halving Extreme Poverty by 2015*, this is, in large part, due to positive trends in China and India. However, trends for *MDG Goal 7 – Environmental Sustainability tell a different story*, and may well hamper the ability of countries to sustain social development achievements beyond 2015. While considerable progress has indeed been made through expanded use of renewable energy, expansion of protected areas, phase out of ozone depleting substances, etc, the world is off track towards achieving MDG 7.

The challenge of environmental governance lies in the ability to meet the needs of a continuously expanding population without destroying the environment and the resource base on which the process of development depends. The key issues are the promotion of not only economic growth but also the quality of that growth and ensuring that such growth is equitable and environmentally friendly.

1.2 Shanghai and Environmental Sustainability

Shanghai is a mega city with a population of over 17 million. It has long served as the key economic and financial center of China and will be the host city of the World Expo in 2010. In this connection, Shanghai has made environmental protection and sustainable growth a key priority. Since 2000, Shanghai has developed and launched 3-year environmental action plans to reflect the city’s commitment to development. The second 3-year environmental action plan in 2003 totaled 70 billion RMB (USD 4 billion) which included over 300 sustainable development projects. The city will designate 3 percent of the city’s GDP for the next 5 years during the 11th Five-Year Environmental Master Plan (2006-2010).

Since the latter half of the 1990s, Shanghai has made remarkable progress in pollution control and environment protection and the city’s environment quality has greatly improved. However, faced with an increasing population and a rapidly growing economy still reliant on material

intensive industries, Shanghai faces immense pressure and challenges in its objective become an internationally recognized environmentally sustainable city.

Air Quality. During the past decade efforts to improve air quality in Shanghai have had mixed results. In 2004, the city registered 311 days of good air quality (defined when the city's Air Pollution Index (API) reaches Grade II or better). According to data collected during the past five years, the annual daily average of inhalable particular matter has also gradually decreased. However, despite these improvements, the annual daily average of SO₂ found in the air has increased while the 2004 annual daily average value of nitrogen dioxide in the urban area was higher than that of 2003. At present, coal is the main source of energy for electricity generation in Shanghai. With the cheap cost, coal remains more competitive than renewable energy. SO₂ will remain to be one of the major air pollutants in Shanghai within the next three years. NO₂ emission rate from traffic in Shanghai continues to increase with no signs of slowing. The city currently hosts 2 million vehicles, of which, 700,000-800,000 are automobiles with demand for private cars on the rise. Three years ago, the municipal government initiated a car control policy that (currently only being implemented in Shanghai) limit the issuance of new vehicle plates to 6,000 each month. This has resulted, on average, in an addition of 200 new cars each day.

Water Quality. Since 2003 the water quality of inspected waterways in urban areas improved substantially, with the suburban area only showing slight improvement. In 2003, the discharge of wastewater in Shanghai reached 1.822 billions m³ while 94.99% of industrial affluent was discharged in compliance. The industrial wastewater discharge per ten thousand Yuan output value in the whole city was 13.43 m³.

Solid Waste. Guided by the principles of reducing, reusing and recycling, the comprehensive utilization and proper disposal of solid waste has improved. Although the total quantity of industrial solid waste in Shanghai has increased from 2003, the rate of comprehensive industrial waste utilization registered 97.2%. The total quantity of household garbage in Shanghai increased from 2003 but the quantity of household garbage used as fertilizer also increased. Mechanism for management of hazardous waste and medical waste was set up. For example, 1,970 units were listed in the management system of manifest for transferring hazardous wastes.

Afforestation and Ecological Conservation. By the end of 2003, green space covered 35.18% of the city and public green space per capita reached 9.16m². Afforestation programs in the suburb area has also been developed.

1.3 Shanghai's response to environmental challenges

The Shanghai Environmental Protection Bureau (SEPB) is the city's designated municipal agency responsible for environmental protection and management activities. It enforces and drafts environmental laws, regulations and policies, and formulates the city's strategic plan for environmental protection. Among many things, SEPB drafts the city's emission standard and conducts environmental monitoring, statistics, and information collection. They are the primary liaison for international cooperation and exchange on environmental projects, coordinates the implementation of international conventions or treaties on environment, and promote public and NGO's participation in environmental protection (see Annex I for more details).

The Shanghai Environmental Protection Committee (SEPC) was founded in 2003 at the beginning of the second round of the Three-Year Action Plan (2003-2005) by order from the Shanghai Municipal Government. The Mayor is the designate Chair of SEPC, which meets at least every three months and consists of all the relevant agencies and sub-agencies handling issues in the area of environment. For the upcoming third round of the 3-Year Action Plan, six priority areas within environment and energy have been identified for immediate attention. They are: water pollution, air pollution, solid waste, industry, agriculture, and ecological conservation (reforestation, greening). Working groups responsible for each area have been set up and chaired by the main agency relevant to the area. The SEPC Office (in SEPB) is responsible for the Three-Year Action Plan. It coordinates and monitors the implementation of the plan every month and reports to the Mayor quarterly. (See SEPC diagram and SEPB structure in Appendix II.)

Since the 1990s, the Shanghai government has supported three major initiatives to address and mainstream environment sustainability into the local agenda. The initiatives are: the *Five-Year Environmental Master Plans*, *China's Agenda 21—Shanghai's Plan of Action (1999-2010)* and *Three-Year Environmental Actions Plans* (since 2000).

China's Agenda 21—Shanghai's Plan of Action (1999-2010). Represents a concrete set of actions for the implementation of the China's sustainable development strategy. The plan consists of three major parts:

- (a) The overall strategy of Shanghai for sustainable development. It broadly defines the basic principles, major objectives and focuses of work for Shanghai in implementing its sustainable development strategies.
- (b) The action items for sustainable development in Shanghai. Composed of 10 chapters and 30 program areas which cover such field as population, economy, city development, natural resources with stress on coordination of economic, social and environmental considerations.
- (c) Capacity building for sustainable development in Shanghai. Includes six program areas covering: administrative framework, legal guarantee, scientific and educational capacities as well as public and enterprise participation.

Five-Year Environmental Master Plans (2006-2010). The overarching vision and goal of the plan is for the city to be recognized as an eco-city by 2010 in line with the World Expo. The EFC program aims to support Shanghai achieve the end-goal of this new Five-Year Master Plan. The six main tasks are as follow.

- (a) Environmental facilities construction. By the end of 2010, municipal wastewater treatment percentage reaches 80%; wastewater treatment percentage from industrial park reaches 90%; garbage treatment percentage reaches 98%; all toxic waste should be treated properly.

- (b) Pollution discharge control. By the end of 2010, pollution discharge from all the enterprises within the important list meets the discharging standard; 95% of the power plant with coal-fuel should complete desulphurization; the zone inside the outer ring should be “coal fuel combustion limited zone”; the zone outside the outer ring should be “dust control zone”; the total discharge of SO₂ is 380,000 ton/yr; the total discharge of COD is 259,000 ton/yr; the consumption of water and energy per GDP decrease notably.
- (c) Environmental rehabilitation. Give priority on drinking water resource protection to assure the safety of water supply; proceed with river rehabilitation to improve water quality in the city center; according to industry re-distribution, environmental improvement will be implemented in severely polluted area.
- (d) Ecological protection. According to the target of eco-city, protect and strengthen the ecological system and capacity while improving on the residential environment; with particular focus placed on environmental protection in rural area. A rural environmental protection action plan will be implemented to protect natural conservation zone and important ecological areas to maintain biodiversity. By the end of 2010, the greenery coverage in urban area will be at minimum 38% while forest coverage in rural areas will encompass 16%.

Three-Year Environmental Action Plans (2006-2008). The third round Three-Year Action Plan targets immediate tasks designed to support the implementation of 11th Five Year Plan. The EFC program activities and timeline is specifically linked with the targets outlined in the new Three-Year Action Plan. Its main content is as follows:

- (a) To eliminate black and stink in rivers in the city center; address water quality improvements in the rural area; municipal wastewater treatment percentage to reach 75%;
- (b) To improve air quality gradually; the percentage of days with good air quality to reach 85% or above; 70% of the power plant with coal-fuel to complete desulphurization;
- (c) At least 80% of domestic garbage is treated safely; improve the recycling of solid waste; Industrial waste, hazardous waste, and medical waste is treated properly;
- (d) Control industry pollution and discharge from enterprises within basic environmental standard; advocate recycling and clean production to cut down pollution;
- (e) Control agriculture pollution to improve environmental quality in the rural area;
- (f) Promote ecological construction such as the development of the eco-island of Chongming Island; By the end of 2008, the greenery coverage in urban area will be at minimum 38% while forest coverage in rural areas will encompass 13%.

1.4 Environmental Policy

UNDP Global Partnership for Principal 10 initiative underlines the importance of access to information and participation in decision-making process that will have impacts on the environment. With the movement of Shanghai towards a sustainable city, environmental policy processes will increasingly become an important issue in the years to come. The increasingly educated populous will demand improved access to information, participation and remedy. The Environmentally Friendly City Initiatives (EFC) project will support activities to strengthen the monitoring of improvements in access to information and participation within the overall index system.

Access to Information. The quality of air and water is perhaps the most crucial as people require both to sustain their lives. The information on the quality of air and water is therefore most important to people's daily life.

Shanghai Environmental Monitoring Center (SEMC), a subsidiary center of SEPB, monitors air quality in Shanghai. It has at least one continuous air monitoring station in each district that monitors air quality 24 hours a day from 01:00 – 24:00 hrs. It reports three parameters of the Air Pollution Index -- PM₁₀, SO₂ and NO_x. The Environmental Information Center (EIC), within SEPB, accordingly posts the information on the SEPB website and newspapers each day. SEPB website also reports on water quality.

SEPB operates two websites for information sharing. The official SEPB Website provides detailed environmental information, laws and regulations, and useful information for investors, e.g. registration forms for private enterprises, latest achievements, etc. SEPB also hosts Environment Online, where environmental data is posted for popular use. The websites is designed to be interactive, where readers can post their views or submit comments.

Article 11 of Environmental Protection Law of the P.R.C stipulates that, "The environmental authorities of governments of provinces, autonomous region and municipality directly under the state council should issue bulletin of status of environment periodically." Article 27 of Shanghai Environmental Protection Regulations states that, "The bulletin of status of environment should be issued by Shanghai Environmental Protection Bureau (SEPB) before the World Environment Day (5 June)." Accordingly, the SEPB is mandated to produce Shanghai Environmental Bulletin, which is similar to state of environment report, annually. It is distributed to the general public (in both Chinese and English) for free and is also posted on SEPB website. The bulletin reports the state of the environment by sector, progress made and events organized by the SEPB. The publication is printed in four colors on recycled paper.

Access to redress. SEPB provides a 24-hr. environmental hotline, "12369." The number has 5 rather than 8 digits as a standard number to help speed up the call. Complaints registered in order of volume are noise, air pollution, water quality, and solid waste.

On an annual basis, SEPB conducts a survey to learn about the general public's satisfaction of the environment. The 2005 survey, due to be completed in December, will be critical for SEPB as they are about to begin the next three-year environmental action plan. Gallop Inc., an international consulting firm, will conduct the surveys in all districts ascertain the public's

satisfaction level with the implementation of the second round of the three-year plan scheduled to be completed at end-2005.

In 2004, SEPB received a total of 45,473 complaints. Of this amount, 4,831 cases were sent to the authorities in form of letters, 37,740 cases by telephone, 1,203 cases in persons, and 1,699 emails. According to SEPB, 98 percent of the complaints were appropriately handled.

The Administrative Procedure Law of the People's Republic of China of 1999 guarantees people right to file a case against the government's wrong doing. Administration court does exist and has, in the past, been utilized.

Access to participation. Access to participation in environmental planning is implemented through a representation system. People participate through the representatives of Shanghai People's Congress and the Political Consultation Conference. In the preparation process of the environmental plans, SEPB usually organizes consultation forums. Participants of these forums include representatives of relevant agencies, academics and representatives of Shanghai People's Congress (SPC), and Political Consultation Conference (PCC). The rationale is that the two organizations represent the people, as their members were elected by the general public of Shanghai.

Part 2. Strategy

The strategy is to develop an integrated and structured environmental monitoring system to track and improve achievement of goals set out in the Three-year Action Plan, Five-year Master Plan and MDG 7. The project aims to build capacities in the design and implementation of an environmental index system that meet international standards, raise public attention on the importance of pollution control and natural resources management, and facilitate stronger partnership for achievement of the plans and goals.

The EFC will incorporate and leverage the partnership of sister UN agencies, particularly the United Nations Environment Programme (UNEP), in the development of the environmental monitoring system and environmental awareness campaigns. As an official partner, EFC will draw upon UNEP's deep knowledge, resource, and expertise of developing *environment specific* campaigns and interventions which have been featured throughout the world.

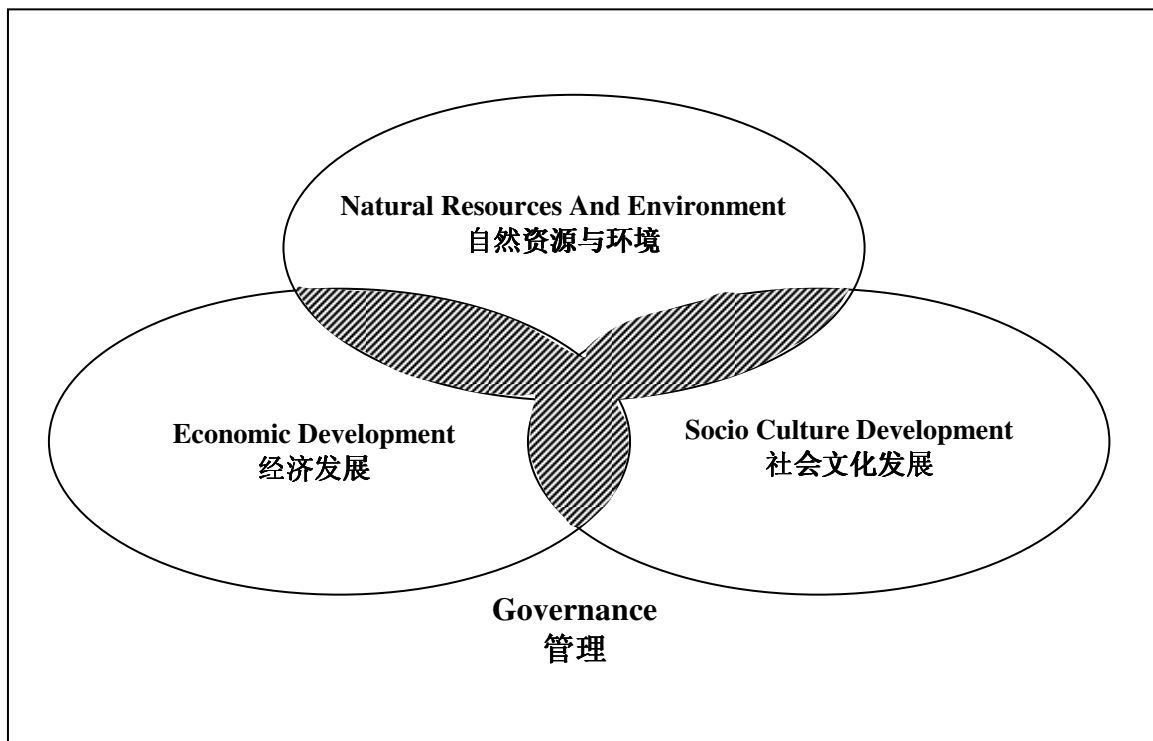
The Shanghai Expo 2010 will be acting as a platform to demonstrate the progress of Shanghai toward an environmentally friendly city as well as the collaboration between Shanghai and its partners.

2.1 Environmentally Friendly City Index (EFCI)

The Environmentally Friendly City Index (EFCI) will serve as a mechanism for making environmental management more quantitative, empirically grounded, scientific and systematic. The EFCI will be a monitoring tool for the city of Shanghai to collect, organize and verify its

environmental progress towards achieving the Three-Year Action Plan, Five-Year Master Plan and MDG 7. It will also serve to track Shanghai's progress to meet the criteria to become an internationally recognized environmentally friendly city by the year 2010. The index will be an instrument to **enhance environmental policy on par with global standards and increase public awareness of environmental issues** through outputs 2 and 3.

Through partnership with UNDP, SEPB completed a preliminary design of an EFCI system based on the sustainable development concept. The index covers three dimensions: economic development, natural resources and environment, and social development. In total, EFCI includes 43 indicators, 6 economic, 18 environmental, 9 socio-cultural and 10 policy indicators (Annex I). The current draft EFCI reflects the goals set in the next Three-Year Action Plan (2006-2008) and covers seven core areas: water resource, air pollution, solid waste, industry (point source), agriculture (non-point source), ecological conservation (reforestation, greening), and energy. Although the EFCI also includes indicators on other dimensions (or categories) than the environment alone (economic, socio-cultural development and governance), these indicators have strong affects on and from the environment – and therefore will be included as part of the EFCI. They are presented as the grey area in the diagram shown below.



SEPC has established a cross-departments coordinating platform. SEPB will coordinate with all departments in using the EFCI and as the SEPC Secretary, be responsible to report to the Mayor and the People's Congress on annual progress and results. Rather than using an international benchmark, the state of Shanghai's environment in 1999 will serve as the baseline for the EFCI system.

SEPB will **design and improve the current EFCI system into a complete composite index system** that will include additional indicators such as noise pollution, environmental policy, urbanization, health, biodiversity, GHG emissions, and ecological footprint. In 2006, the State Environmental Protection Administration and the National Statistics Bureau issued China's first Green GDP report. In this connection, the EFCI will explore the concept of the Green GDP and as appropriate, will consider integrating its components into the EFCI system. The updates will not only better reflect the rapidly changing landscape of China and Shanghai in particular, but the advanced index system will allow Shanghai to meet the international requirements necessary to be recognized as an environmentally sustainable city. Existing global index systems on sustainable development supported by such organizations as UNEP, UNHABITAT and the EC will also be used as benchmarks and inputs to the EFCI system. EFC will work to better define the indicators, benchmarking tools, assessment criteria, and advices on how to achieve the goals set out in the three-year action plans.

Prior to full implementation of the full composite system, EFC will undertake a series of pilot tests to further refine and define the indicators and to verify data availability. A practical, effective and systematic mechanism will be created to collect and update each indicator regularly, consistently and accurately. In this connection, an **EFCI information management system will be established** under SEPB's guidance, to ensure transparency, availability and accessibility of environmental figures to SEPB, other government agencies, and to the general public. The database will be managed by the Environmental Information Center (EIC) under SEPB.

The EFCI will serve as the **monitoring tool for SEPB to assess the city's environmental performance** and to use the data as a policy-making and management tool to help identify priority areas for future environmental plans and projects. The SEPB is expected to utilize the aggregate data and analysis derived from the EFCI in the development of immediate measures and actions to address specific areas of environmental concerns and performance. The system, thus will serve as an internal controls framework and a checks-and-balance structure to assist SEPB rigorously monitor the city's environmental performance. As shared in Shanghai's 2010 Vision under the Eleventh Five-Year Environmental Master Plan, EFC will assist SEPB develop Shanghai into an internationally recognized and accepted environmental city by 2010 in preparation for the World Expo. The EFCI, as a means for good environmental policy, will make available to the general public the aggregated data collected under the system. Information will be posted on the SEPB managed "Environment Online" website which the government established for information sharing to the general public.

2.2 EFCI and Decision Making

To further support the achievement of the Three-Year Action Plan, EFC will **strengthen the linkages between the EFCI and environmental management process**. The EFCI serves as an important tool for the government to examine the social and environmental consequences of proposed plans and decisions – systematically providing the necessary information, through the support and improvement of the EFCI, to decision makers and the public about the environmental implications of proposed actions before decisions are made.

The **EFCI system will integrate environmental concerns into development planning and decision making**. Monitoring information from the EFCI will be essential in helping to determine the effectiveness of mitigation measures providing opportunity to learn from previous experiences. Upon review, EFC will introduce best practices, techniques, and approaches to help strengthen environmental management and decision-making processes. Through identification, development and integration of new environmental management systems, EFC will assist Shanghai become an internationally recognized environmentally friendly city.

The capacities of the people involved influence the effectiveness of the EFCI. To keep pace with the rapid development of new procedures and practices, EFC will **support capacity building activities** to ensure appropriate training is conducted for the management of the EFCI system. The project will develop an environmental policy program and will assist SEPB staff attend short courses or workshops on policy and management trends to enhance the staff's understanding on the relationship between environmental and development. This will result in the better management and maintenance of the EFCI. Study tours for leaders and staff of SEPB will be organized to observe best practices in environmental management and policy. An index tool kit and manual for users will be developed to ensure appropriate collection, use and interpretation of the EFCI system.

Furthermore **improvement to access to information, participation and decision making** will be supported through information dissemination, education and open discussion. Communication can be enhanced through utilizing SEPB's already established channels via website, email, telephone or meeting. A public information programme on environmental management and decision making will ensure transparency and accountability in the government's commitment on environmental sustainability. In addition, the EFC will explore appropriate channels and platforms of communication to encourage civil society and private sector participation towards the development of an environmentally friendly city. Working groups and multi-stakeholder dialogue exercises will be conducted to support the environmental management structure of SEPB. These measures will instill public confidence and credibility within the global community of Shanghai's efforts to become a recognized eco-friendly city.

2.3 EFCI and Public Awareness Raising

To reinforce and strengthen the environmental monitoring function, EFC will support a campaign to raise awareness on the importance of the new EFCI system and trends in achieving the Three-Year Action Plan and MDG 7. To support this, the project will develop **a campaign to promote environmental awareness** as a basis for meaningful participation in environmental monitoring process.

The objective of the campaign is to keep the public informed of the status and trends of environmental issues in Shanghai and to promote dialogue on the means to improve the situation. This will not only raise the profile of the achievements of SEPB but also **serve as a model for other cities to incorporate EFCI into their environmental agenda**. It is envisioned that EFC will bring together a consortium of leading local and international partners from the private sector, civil society and government to deliver a powerful, long-lasting and effective campaign. Professionalism, high level visibility and branding will be vital to reach the public and in

bringing key partners to the table. Tailored to each target group, the campaign will utilize a cross-media platform approach, delivering messages specific to the media consumption profile of each audience, including TV, radio, internet, mobile phone networks, print, outdoor advertising

The campaign will target various activities to showcase Shanghai's environmental challenges, achievements and the EFCI index system in the run-up to the 2010 World Expo where Shanghai has set its goals to be **recognized as an environmentally friendly city**. The city's environmental performance will be monitored by the EFCI throughout the period leading up to 2010 to ensure transparency and accountability in meeting the international standard. The environmentally friendly city Recognition criteria will focus on progress made or improvements Shanghai has made between 2006-2010. Progress will be evaluated in at least two areas, 'performance' and the 'process' of building an environmentally friendly city. The index system will serve as a tool to evaluate the 'performance,' while the 'process' criteria will encourage Shanghai to strengthen the link between EFCI and environmental policy processes such as EIA. The criteria will be developed through a consultative process taking into account the requirements of similar international standards. A high-level evaluation panel will be established with members of government, academia, private sector, civil society, bilateral and UN agencies to approve of the criteria – within the first 6-months of project implementation. The Recognition will be designed and developed to be internationally recognized and accepted with credibility and authority. An official website with detailed information of the criteria and selection and a series of media engagements will be launched to raise awareness and visibility to the Recognition. An option will also be open to explore the possibility of linking the EFC activities to a pre-existing internationally accepted environmental Recognition system (i.e., UNEP, UNESCO, etc) to prevent duplication of efforts, enhance coordination and ensure transparency. It is important to note that the EFC initiative is designed to help create an enabling environment for the city of Shanghai to meet its goal of becoming an internationally recognized environmentally friendly city by 2010. The Recognition will be based on merit and performance. The city's engagement on EFC will not automatically guarantee that Shanghai will be granted such status.

The Campaign Tool Kit will include:

Green Media Network. The programme ensures outreach to environmental journalists to create and disseminate green content. The network will actively promote Green issues and provide broadcast slots for PSA campaigns organized by the network. Members will also be able to take part in different organized Green Media events – i.e media work shops, tours to different environmental projects, attendance at internationally sponsored media training events, etc.

Environmental Bulletin and Websites. The whole set of EFCI and the results of annual assessment will be reported in the Environmental Bulletin and on the SEPB's two existing websites. This will ensure good environmental policy and access to information to the general public and other governmental agencies that can make use of the published and posted environmental data.

Global Events. The SEPB normally organizes a press conference for the World Environment Day and for other internationally recognized environment related days (i.e, World Water Day,

etc). Press conference is another forum where the progress in environmental improvement of Shanghai measured by the EFCI should be publicized. SEPB can take this forum to announce their commitment to making Shanghai a world-class environmentally friendly city by using EFCI to measure its progress.

Green Expo. Public awareness activities in collaboration with Shanghai Expo 2010 will be organized to promote the outcomes of this program.

2.4 EFCI and Partnerships

Business plays a critical role in providing a long-term foundation for Shanghai's achievement towards the Three-Year Action Plan and Five-Year Master Plan. In November 2005, Shanghai hosted the UN Global Compact Summit, where over 800 corporate leaders, policy-makers and civil society representatives from around the world gathered for the largest ever high-level corporate responsibility conference in China. As a follow-up, the program will **establish the Shanghai Compact on Environmental Sustainability**, a private sector forum to develop a mutually beneficial partnership with the multinational and national corporations to address and find solutions to key environmental issues affecting the city – such as sustainable consumption, cleaner production processes, waste management, renewable energy, green procurement, eco-efficiency industrial park, recycling, green-dot packaging, eco-labeling, life-cycle analysis, application of polluters-pay-principle, etc. UNEP, as a lead agency with UNDP on the UN Global Compact, will be engaged to help facilitate the development of the Shanghai Compact and to share best practices and lessons learned on business and environmental sustainability.

The Shanghai Compact will contribute to sustainable development by promoting and facilitating corporate social responsibility, sustainable business and investments by the private sector, through a process of multi-stakeholder engagement with Government, civil society, and the UN family, particularly UNEP. The forum **will highlight innovative sustainable business projects that demonstrate how commercial business activities can contribute to promote environmental sustainability**. The project will explore the possibilities of establishing a “corporate Recognition” on environmental performance to further encourage private sector engagement. It will strive to encourage greater engagement and contribution of the private sector in Shanghai's environmental action-plans, aligning private investments more closely with the city's environment priorities.

Furthermore, in conjunction with the Shanghai Compact, a **Sister Cities Forum** will also be established between Shanghai, cities within China and abroad as a platform to exchange information, share best practices in environmental monitoring and policy to showcase the EFCI framework. Members of local government, environmental protection bureaus, multilateral organizations, civil society and the private sector will be invited to participate in the information sharing. The purpose of the forum will be to allow Shanghai, as the Secretary, to serve as a model city for other cities to replicate. Leading environmental themes such as sustainable consumption, ecological footprint, “green” supply chain management, etc will be discussed during the forum to help shape and inspire the environmental agenda. Possible replication opportunities will be explored with potential candidate cities through exchanges, study tours, etc.

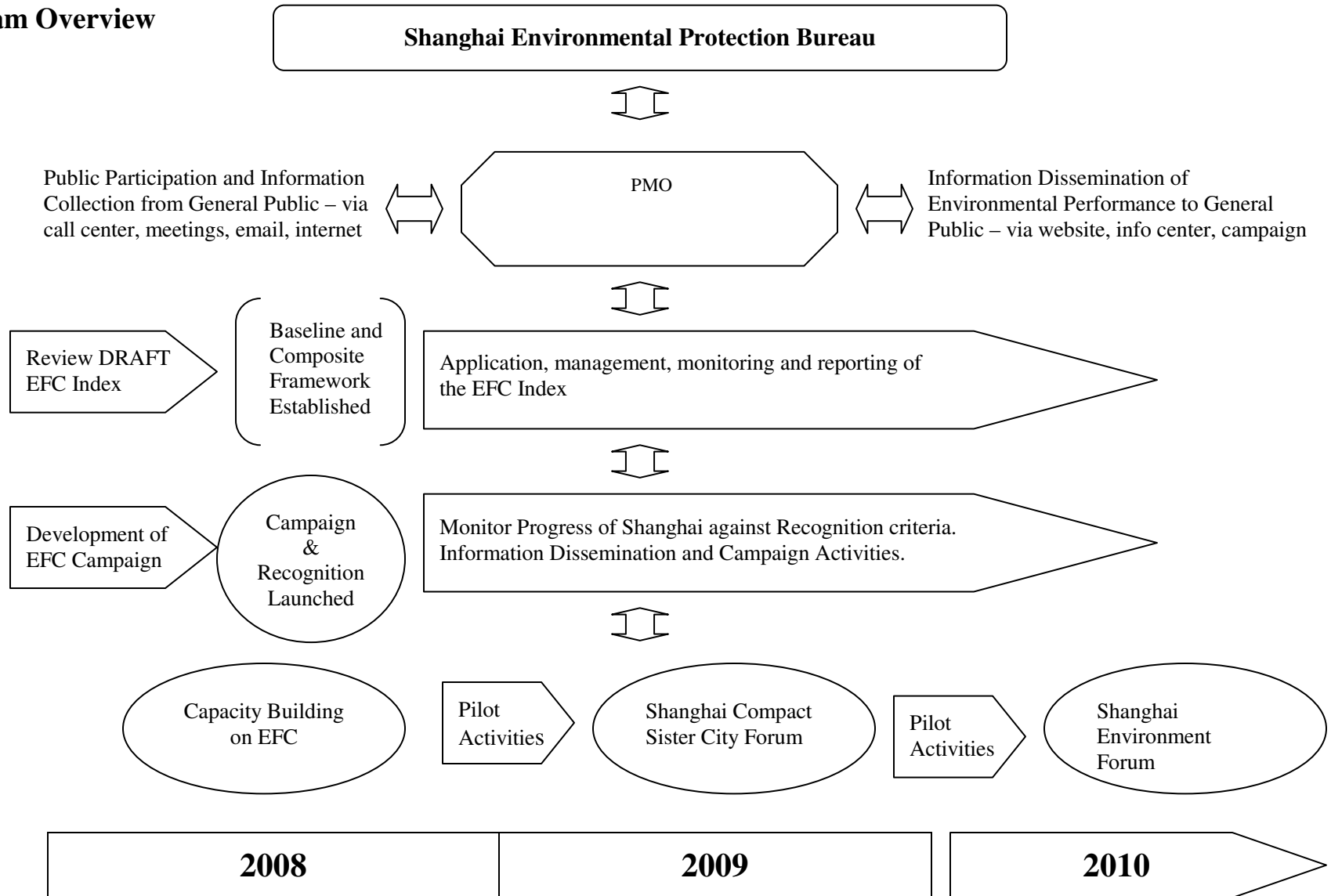
The Shanghai Compact and the Sister Cities Forum will convene once a year together and will identify practical pilot projects with the SEPB and UN to achieve Shanghai's environmental goals.

2.5 EFCI and Pilot Projects

To demonstrate the partnership between government, business and the general public, EFC will assist in the design and mobilization of resources to launch pilot projects that will serve as best practices for good environmental monitoring and management. Projects will be identified through a consultative process involving multiple stakeholder participation and will focus on themes such as the circular economy, cleaner production processes, energy efficiency, or environmentally friendly communities. These projects will showcase the efforts of the government of Shanghai in this initiative and serve as a sample for other cities. EFC will work on the formulation of proposals, engage in feasibility studies for such projects, and contribute towards mobilizing resources to support project implementation.

Shanghai EXPO 2010 will be designed as a flagship pilot project. The EXPO site will be a good showcase on an environmental friendly city. Green Expo guideline promoting green concepts and environmentally friendly behaviors will be prepared for different targets such as visitors, exhibitors and site operators based on different phases like planning, construction, operation, and site closure. Special workshops or seminars will be held to exchange best practices. EXPO 2010 will be a platform for Shanghai to demonstrate its efforts on the environment to the international community.

**Figure 1 –
Program Overview**



Part 3. Management Arrangements

3.1. Implementing Agencies

The programme will be executed under the standard UNDP National Execution (NEX) modality. The China International Center for Economic and Technical Exchanges (CICETE) is the **Government Coordinating Agency** on behalf of the Ministry of Commerce of China (MOFCOM) and **the Implementing Partner** directly responsible for the Government's participation in each annual work plan (AWP) of this project. The AWP describes the specific results to be achieved and will form the basic agreement between UNDP and the Implementing Partner on the use of resources. CICETE as the Implementing Partner is responsible and accountable for managing the project, achieving the project outputs, and for the effective use of UNDP resources.

UNDP, in close collaboration with MOFCOM/CICETE, will be responsible for successful program management. For that purpose, UNDP will play project assurance role through its oversight and monitoring functions of projects.

The Shanghai Environmental Protection Bureau (SEPB) is the **Government Cooperating Agency**, which is responsible for the functions or areas being addressed by the project. The Shanghai Academy of Environmental Sciences (SAES) will serve as the local partner to support the implementation of the activities and will report to SEPB. SEPB will supervise all operational activities, led by a *National Project Director* (NPD) to be appointed by SEPB. The NPD will be supported by a *Project Management Office* (PMO) to be hosted by SEPB and established by the NPD in compliance with NEX recruitment and procurement rules. The PMO will be based at Shanghai Academy of Environmental Sciences. Service providers for specific activities (website development, technical research, etc) will be engaged where required based on NEX recruitment and procurement rules. The NPD will submit to CICETE and UNDP Quarterly Reports explaining progress in achieving results.

A **Project Steering Committee** will be formed for the project to include SEPB, SAES, UNDP, UNEP, and CICETE. It will convene every 6 months to review progress and guide the overall policies and directions for the project based on Quarterly Reports provided by the Government Cooperating Agency

To assist in the project implementation the Implementing Partner would engage different **Responsible Parties** which are goods/services providers or contractors responsible for provision of project inputs. These responsible parties can be engaged by the Implementing Partner through programming process or procurement process.

3.2. Project Management Office (PMO)

A *National Project Manager* (NPM) will be appointed to lead the PMO and all operational activities and budget management functions (see TOR in Annex) by closely consultation with CICETE. S/he will be supported by short-term international *Chief Technical Advisor* (CTA) for technical inputs to activities and various other staff including administrative and finance managers, etc. Upon programme inception, the NPM will develop Terms of Reference for these posts. Sub-contracts will be issued to various institutes and organizations to undertake specific activities indicated in the Results and Resource Framework. *Procurement* of goods (equipment, etc) and services (experts, organizational sub-contracts, etc) by the PMO will follow UNDP NEX Guidelines for open and competitive selection.

Part 4. Monitoring and Evaluation

A **Project Inception Report** will be prepared immediately following the Inception Workshop. It will include a detailed First Year/Annual Work Plan divided in quarterly time-frames detailing the activities and progress indicators that will guide implementation during the first year of the project. This Work Plan would include the dates of specific field visits, support missions from the UNDP-CO or consultants, as well as time-frames for meetings of the project's decision making structures. The Report will also include the detailed project budget for the first full year of implementation, prepared on the basis of the Annual Work Plan, and including any monitoring and evaluation requirements to effectively measure project performance during the targeted 12 months time-frame.

The Inception Report will include a more detailed narrative on the institutional roles, responsibilities, coordinating actions and feedback mechanisms of project related partners. In addition, a section will be included on progress to date on project establishment and start-up activities and an update of any changed external conditions that may effect project implementation. When finalized the report will be circulated to project counterparts who will be given a period of one calendar month in which to respond with comments or queries. Prior to this circulation of the IR, the UNDP-CO and CICETE will review the document.

Quarterly Reports shall be submitted by the NPD to UNDP through CICETE and UNEP describing the achievement made in relation to the approved work plan and budget expended for the quarter. The reports shall be the basis of review for the Steering Committee meetings during its review meetings. The report shall note any significant problems and risks encountered whether any variance in progress was noted and how the problems were resolved or shall be addressed in the following quarter.

Annual Project Reports (APR) shall also be submitted by the NPD to UNDP through CICETE and UNEP describing the progress during the year and proposed work plan for the following year for approval. The APRs will also be submitted to the Steering Committee at the start of each year to review and clarify annual work plan for the subsequent year.

Annual Work Plan and Budget Revisions will be signed by CICETE and UNDP. An AWP must be prepared one month before the end of the calendar year. An annual budget revision is mandatory and must be completed within one month after the approval of CDR. This is to reflect the final expenditures for the preceding year and to enable the preparation of a realistic plan for the provision of inputs for the current year. Other budget revisions may be undertaken as necessary during the course of the project. It is expected that significant revisions will be cleared with the UNDP-CO for consistency with the rules and regulations before being approved.

Terminal Report will also be submitted to CICETE and UNDP at the end of the project lifetime for review by a terminal tripartite review meeting in the last month of project operations. The project proponent is responsible for preparing the Terminal Report and submitting it to UNDP-CO, CICETE, and UNEP. It shall be prepared in draft at least two months in advance of the TTR in order to allow review, and will serve as the basis for discussions in the TTR. The terminal tripartite review considers the implementation of the project as a whole, paying particular attention to whether the project has achieved its stated objectives and contributed to the broader environmental objective. It decides whether any actions are still necessary, particularly in relation to sustainability of project results, and acts as a vehicle through which lessons learnt can be captured to feed into other projects under implementation of formulation.

Monitoring and Evaluation (M&E) of the programme will be undertaken in line with the CPD results matrix and monitoring and evaluation plan. The Government and UNDP will be responsible for setting up the necessary M&E mechanisms, tools and conducting reviews, in order to ensure continuous monitoring and evaluation of the programme, with the view to ensuring efficient utilization of programme resources as well as accountability, transparency and integrity. The Implementing Partner will provide periodic reports on the progress, achievements and results of their projects, outlining the challenges faced in project implementation as well as resource utilization as articulated in the AWP. The reporting will be in accordance with the procedures and harmonized with UN agencies to the extent possible.

The Implementing Partner agree to cooperate with UNDP for monitoring all activities supported by cash transfers and will facilitate access to relevant financial records and personnel responsible for the administration of cash provided by UNDP. To that effect, the Implementing Partner agree to the following:

1. Periodic on-site reviews and spot checks of their financial records by UNDP or its representatives;
2. Programmatic monitoring of activities following UNDP's standards and guidance for site visits and field monitoring;
3. Special or scheduled audits. UNDP, in collaboration with other UN agencies (in consultation with the Government Coordinating Agency) will establish an annual audit plan.

SEPB funds are parallel-funds. They are highlighted in italics under this budget breakdown. Parallel funds are separate and independent from the UNDP (third party) funds. For audit

purposes, UNDP and CICETE will only be responsible for the management of the third party funds currently allocated to the programme.

Annual audit will be carried out under the current modality agreed by UNDP and CICETE during the project life.

Learning and Knowledge Sharing will also be a main focus on the programme. Results from the project will be disseminated within and beyond the project intervention zone through a number of existing information sharing networks and forums. The project will participate, as relevant and appropriate, in UNDP sponsored networks, organized for Senior Personnel working on projects that share common characteristics. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation through lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects. Identifying and analyzing lessons learned is an on-going process, and the need to communicate such lessons as one of the project's central contributions is a requirement to be delivered not less frequently than once every 12 months. UNDP shall provide a format and assist the project team in categorizing, documenting and reporting on lessons learned. To this end a percentage of project resources will need to be allocated for these activities.

To secure experiences learned under the programme are not lost, PMO will ensure that methodologies are institutionalized within SAES and local partner organizations. All technical procedures will be reduced to easily assimilated formats so that they may be readily replicated with the minimum of supervision. The principles of message development, pre-testing, campaign design, media commissioning / supervision and impact evaluation are expected to be some of the core content of the replication packages produced by the programme.

Part 5. Legal Context

This Project Document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement between the Government of the People's Republic of China and the United Nations Development Programme, signed by the parties on 29 June 1979. The host country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government cooperating agency described in that agreement. The following types of revisions may be made to this Project Document with the signature of the UNDP resident representative only, provided he or she is assured that the other signatories of the Project Document have no objections to the proposed changes:

1. Revision in, or addition of, any of the annexes of the Project Document;
2. Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of the inputs already agreed to or by cost increases due to inflation; and

Mandatory annual revisions that rephrase the delivery of agreed project inputs, or reflect increased expert or other costs due to inflation, or take into account agency expenditure flexibility.

SECTION II – COMMON WORKPLAN & BUDGET

Annual Work Plan

Year 2008

EXPECTED CP OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards stated CP outputs</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Source of Funds	Budget Description	Amount (US\$)
<p><u>CP Output: 7.3</u> – Capacity of CSOs and communities to participate in biodiversity conservation activities strengthened</p> <p><u>Target: 7.2</u> – Identify target regions of China, and design and launch joint projects with local counterparts to integrate biodiversity into local planning.</p>	1. Design, Implement, and Manage Environmentally Friendly City Index System								
	<p>1.1. EFCI baseline and information management system developed with data linked to SEPB's two main websites</p> <p><i>Recruitment of d two national experts for data analysis and baseline development.</i></p> <p><i>Procurement of IT system.</i></p>			X	X	CICETE/SEPB	ArcelorMittal <i>SEPB</i>	71300 Local Consultants	\$10,000 <i>\$13,000</i>
							ArcelorMittal <i>SEPB</i>	74500 Miscellaneous - Meetings	\$5,000 <i>\$2,000</i>
							<i>SEPB</i>	72200 Equipment and Furniture	<i>\$40,000</i>
	<p>1.2. Capacity Building of SEPB staff on EFCI and environmental policy making, including development of EFCI operational manual, index tool kit and workshops</p> <p><i>Recruitment of training expert. Manual and index tool kit developed.</i></p>			X	X	CICETE/SEPB	ArcelorMittal	71300 Local Consultants	\$10,000
							<i>SEPB</i>	74500 Miscellaneous - Training and Meetings	<i>\$15,000</i>
							74100 Reporting Costs	<i>\$5,000</i>	

	1.3 Development and implementation of an expanded EFCI into a composite index system – assessment of new indicators, stakeholder workshops, training, etc				X	CICETE/SEPB	ArcelorMittal	71200 International Consultants	\$10,000
							SEPB	71300 Local Consultants	\$10,000
								74500 Miscellaneous - Training and Meetings	\$10,000
2. Capacity building for use of improved Environmental Information, Monitoring and Decision Making									
	2.1 Establish Shanghai Environmental Information Center – Project Management Office with staff and facilities, launch project and M&E activities <i>Recruitment of short-term CTA. PMO staff – NPM, communications, IT expert, etc. Local consultant hired to conduct assessments and develop the SEIC.</i>			X	X	CICETE/SEPB	ArcelorMittal	71200 International Consultants	\$5,000
							SEPB	71400 Administrative support	\$30,000
								71400 Administrative support	\$20,000
								71300 Local Consultants	\$7,000
								71600 Local Travel	\$3,000
								72200 Equipment and Furniture	\$10,000
								74100 Reporting Costs	\$4,000
2.2 Capacity building training programs: 1.) Use of environmental information in			X	X	CICETE/SEPB	ArcelorMittal	71300 Local Consultants	\$10,000	
						SEPB	71300 Local Consultants	\$10,000	

	management and decision-making.						ArcelorMittal	74500 Miscellaneous – Workshops and Training	\$15,000
	2.) Access to information, participation and decision-making								
3. Environmental Awareness Building									
	3.1 Campaign framework and activities promoting Shanghai’s environmental achievements launched <i>Launch of campaign activities.</i>			X	X	CICETE/SEPB	SEPB	72100 Contractual Services – Companies	\$40,000
							ArcelorMittal	71600 travel	\$4,000
							SEPB	74500 Miscellaneous - Meetings	\$10,000
	3.2 Environmental Friendly City Recognition criteria and framework designed <i>Criteria development begins.</i>			X	X	CICETE/SEPB	ArcelorMittal	71200 International Consultants	\$10,000
								71300 Local Consultants	\$10,000
							SEPB	71300 Local Consultants	\$15,000
								74500 Miscellaneous - Meetings	\$12,000
	3.3 Support capacity building for Networks of Green Media				X	CICETE/SEPB	SEPB	71300 Local Consultants	\$5,000
								74500 Miscellaneous - Training, Workshop	\$5,000
	3.4 Press Conferences, Environment Bulletins and website			X	X	CICETE/SEPB	SEPB	71300 Local Consultants	\$10,000
								74500 Miscellaneous - Meetings	\$5,000

4. Establish a private sector and sister city partnership forum for environmental sustainability								
4.1 Establish Shanghai Compact and Sister Cities Forum annually to promote EFCI, information exchange and dialogue on environmental themes					CICETE/SEPB			
4.2 Develop Working Group for environmental sustainability activities in the area of sustainable consumption, cleaner production processes, recycling, renewable energy, etc to share lessons learned, produce white papers, and joint programmes				X	CICETE/SEPB	SEPB	71300 Local Consultants	\$15,000
5. Launch a series of pilot projects led by Shanghai World Expo 2010								
5.1 Design and resource mobilization of pilot projects to serve as demonstration for good environmental management and monitoring			X	X	CICETE/SEPB	SEPB	71300 Local Consultants	\$20,000
						ArcelorMittal SEPB	74500 Miscellaneous - Workshop	\$2,000 \$17,000
5.2 Design Shanghai EXPO 2010 Green Guideline			X	X		ArcelorMittal	71200 International Consultants	\$20,000
						ArcelorMittal SEPB	71300 Local consultants	\$20,000 \$30,000

							ArcelorMittal SEP B	74500 Miscellaneous - Meetings	\$4,000 \$5,000
	<i>2008 Total: ArcelorMittal - \$160,500 (\$150,000 + \$10,500); SEP B - \$338,000**</i>								
								Out 1	\$130,000
								Out 2	\$114,000
								Out 3	\$126,000
								Out 4	\$15,000
								Out 5	\$118,000
								Support Service*	\$10,500
TOTAL								<i>Total with parallel funding</i>	\$498,500
								Total without parallel funding	\$160,500

* Support Services – A total of US\$35,000(7%) during the 3-year programme will be taken as a cost-recovery services fee by UNDP and CICETE for the management of the third-party ArcelorMittal funds (US\$500,000). The support services consist of the following: project formulation, project management, financial management, general oversight & monitoring, and reporting of the ArcelorMittal funds.

** SEP B funds are parallel-funds. They are highlighted in italics under this budget breakdown. Parallel funds are separate and independent from the UNDP (third party) funds. For audit and management purposes, UNDP and CICETE will only be responsible for the management of the third party funds currently allocated to the programme (\$500,000).All SEP B activities will not be recorded in UNDP management system.

Annual Work Plan

Year 2009

EXPECTED CP OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards stated CP outputs</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Source of Funds	Budget Description	Amount (US\$)
<p>CP Output: 7.3 – Capacity of CSOs and communities to participate in biodiversity conservation activities strengthened</p> <p>Target: 7.2 – Identify target regions of China, and design and launch joint projects with local counterparts to integrate biodiversity into local planning.</p>	1. Design, Implement, and Manage Environmentally Friendly City Index System								
	1.1. EFCI baseline and information management system developed with data linked to SEPB's two main websites	X				CICETE/SEPB	ArcelorMittal SEPB	71300 Local Consultants	\$10,000 \$13,000
							ArcelorMittal SEPB	74500 Miscellaneous - Meetings	\$5,000 \$2,000
							SEPB	72200 Equipment and Furniture	\$30,000
	1.2. Capacity Building of SEPB staff on EFCI and environmental policy making, including development of EFCI operational manual, index tool kit and workshops	X	X	X	X	CICETE/SEPB	ArcelorMittal SEPB	71300 Local Consultants	\$5,000 \$15,000
					ArcelarMittal SEPB		74500 Miscellaneous - Training and Meetings	\$10,360 \$20,000	

	1.3 Development and implementation of an expanded EFCI into a composite index system – assessment of new indicators, stakeholder workshops, training, etc	X	X			CICETE/SEPB	ArcelorMittal <i>SEPB</i>	71300 Local Consultants	\$5,000 \$20,000
							SEPB	74500 Miscellaneous - Training and Meetings	\$20,000
2. Capacity building for use of improved Environmental Information, Monitoring and Decision Making									
	2.1 Manage Shanghai Environmental Information Center – Project Management Office with staff and facilities, launch project and M&E activities	X	X	X	X	CICETE/SEPB	ArcelorMittal	71400 Administrative support	\$28,000
							<i>SEPB</i>	71400 Administrative support	\$60,000
								71300 Local Consultants	\$20,000
								71600 Local Travel	\$6,000
								72200 Equipment and Furniture	\$4,000
								74100 Reporting Costs	\$4,000
	2.2 Capacity building training programs:	X	X	X	X	CICETE/SEPB	<i>SEPB</i>	71300 Local Consultants	\$20,000
	1.) Use of environmental information in management and decision-making.						ArcelorMittal <i>SEPB</i>	74500 Miscellaneous – Workshops and Training	\$15,000 \$30,000
	2.) Access to information, participation and decision-making								
3. Environmental Awareness Building									

3.1 Campaign activities promoting Shanghai's environmental achievements	X		X		CICETE/SEPB	SEPB	72100 Contractual Services - Companies	\$90,000
						ArcelorMittal	71600	\$3,000
3.2 Environmental Friendly City Recognition criteria and framework designed	X	X			CICETE/SEPB	SEPB	74500 Miscellaneous - Meetings	\$30,000
						ArcelorMittal	71200 International Consultants	\$5,000
						SEPB	71300 Local Consultants	\$13,000
3.3 Support capacity building for Networks of Green Media		X		X	CICETE/SEPB	ArcelorMittal	71300 Local Consultants	\$5,000
						SEPB	74500 Miscellaneous - Meetings	\$20,000
3.4 Press Conferences, Environment Bulletins and website	X	X	X	X	CICETE/SEPB	ArcelorMittal	74500 Miscellaneous - Training, Workshop	\$5,000
						SEPB	71300 Local Consultants	\$30,000
4. Establish a private sector and sister city partnership forum for environmental sustainability								
4.1 Establish Shanghai Compact and Sister Cities Forum annually to promote EFCL, information exchange and dialogue on environmental themes		X			CICETE/SEPB	ArcelorMittal	71600	\$3,640
						SEPB	74500 Miscellaneous - Meetings	\$50,000

	4.2 Develop Working Group for environmental sustainability activities in the area of sustainable consumption, cleaner production processes, recycling, renewable energy, etc to share lessons learned, produce white papers, and joint programmes		X		X	CICETE/SEPB	ArcelorMittal SEPB	Miscellaneous - Training, Workshop	\$15,000 \$20,000	
5. Launch a series of pilot projects led by Shanghai World Expo 2010										
	5.1 Design and resource mobilization of pilot projects to serve as demonstration for good environmental management and monitoring	X	X	X	X	CICETE/SEPB	SEPB	71300 Local Consultants	\$20,000	
							SEPB	74500 Miscellaneous - Workshop	\$17,000	
	5.2 Design Shanghai EXPO 2010 Green Guideline	X	X	X	X		ArcelorMittal	71200 International Consultants	\$10,000	
							ArcelorMittal SEPB	71300 Local consultants	\$10,000 \$30,000	
							ArcelorMittal SEPB	72100 Contractual service-companies	\$5,000 \$30,000	
							ArcelorMittal SEPB	74500 Miscellaneous - Meetings	\$5,000 \$5,000	
	<u>2007 Total: ArcelorMittal - \$214,000 (\$200,000 + 14,000); SEPB - \$614,000</u>									
									Out 1	\$155,360
									Out 2	\$187,000
									Out 3	\$251,000
									Out 4	\$88,640
									Out 5	\$132,000

		Support Service	\$14,000
TOTAL		<i>Total with parallel funding</i>	<i>\$828,000</i>
		Total without parallel funding	\$214,000

Annual Work Plan

Year 2010

EXPECTED CP OUTPUTS and indicators including annual targets	PLANNED ACTIVITIES <i>List all activities including M&E to be undertaken during the year towards stated CP outputs</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET		
		Q1	Q2	Q3	Q4		Source of Funds	Budget Description	Amount (US\$)
<p>CP Output: 7.3 – Capacity of CSOs and communities to participate in biodiversity conservation activities strengthened</p> <p>Target: 7.2 – Identify target regions of China, and design and launch joint projects with local counterparts to integrate biodiversity into local planning.</p>	1. Design, Implement, and Manage Environmentally Friendly City Index System								
	1.1. EFCI baseline and information management system developed with data linked to SEPB's two main websites <i>COMPLETED</i>					CICETE/SEPB			
	1.2. Capacity Building of SEPB staff on EFCI and environmental policy making, including development of EFCI operational manual, index tool kit and workshops	X				CICETE/SEPB	ArcelorMittal	74500 Miscellaneous - Training and Meetings	\$4,500
	1.3 Development and implementation of an expanded EFCI into a composite index system – assessment of new indicators, stakeholder workshops, training, etc	X	X			CICETE/SEPB			
2. Capacity building for use of improved Environmental Information, Monitoring and Decision Making									

	2.1 Manage Shanghai Environmental Information Center – Project Management Office with staff and facilities, launch project and M&E activities	X	X			CICETE/SEPB	ArcelorMittal	71400 Administrative support	\$17,000
							SEPB	71600 Local Travel	\$1,000
								74100 Reporting Costs	\$1,000
	2.2 Capacity building training programs: 1.) Use of environmental information in management and decision-making. 2.) Access to information, participation and decision-making	X				CICETE/SEPB	SEPB	71300 Local Consultants	\$2,000
								74500 Miscellaneous – Workshops and Training	\$5,000
	3. Environmental Awareness Building								
3.1 Campaign activities promoting Shanghai’s environmental achievements		X				CICETE/SEPB	SEPB	72100 Contractual Services - Companies	\$12,000
								74500 Miscellaneous - Meetings	\$12,000
3.2 Environmental Friendly City Recognition criteria and framework designed <u>COMPLETED</u>						CICETE/SEPB			
3.3 Support capacity building for Networks of	X					CICETE/SEPB	SEPB	71300 Local Consultants	\$5,000

	Green Media						74500 Miscellaneous - Training, Workshop	\$5,000	
	3.4 Press Conferences, Environment Bulletins and website		X			CICETE/SEPB	SEPB	74500 Miscellaneous - Meetings	\$5,000
4. Establish a private sector and sister city partnership forum for environmental sustainability									
	4.1 Shanghai Environment Forum		X			CICETE/SEPB	ArcelorMittal	74500 Miscellaneous Meetings	\$75,790
								71600 Travel	\$10,000
	4.2 Develop Working Group for environmental sustainability activities in the area of sustainable consumption, cleaner production processes, recycling, renewable energy, etc to share lessons learned, produce white papers, and joint programmes		X			CICETE/SEPB	ArcelorMittal	71300 Local Consultants	\$5,000
								74500 Miscellaneous - Training, Workshop	\$5,000
	4.3 Design and resource mobilization of pilot projects to serve as demonstration for good environmental management and monitoring					CICETE/SEPB			
	<u>COMPLETED</u>								
2009 Total: ArcelorMittal - \$125,500 (\$117,290 + \$8,210); SEPB - \$48,000									
								Out 1	\$4,500

		Out 2	\$26,000
		Out 3	\$39,000
		Out 4	\$95,790
		Support Service	\$8,210
TOTAL		<i>Total with parallel funding</i>	<i>\$173,500</i>
		Total without parallel funding	\$125,500

Annex I
Shanghai Environmentally Friendly Indicators (EFCI)
(Draft)

Data Availability

- 1= Data is available and regularly updated
2=Data is available but not regularly updated
3=Data is unavailable

Categories	No.	Issues	Indicators	Data Sources	Data Availability			Remarks
					1	2	3	
1.Economy	1.1	GDP Distribution	GDP per capita	Shanghai Statistical Bureau (SSB)	X			
	1.2	Contribution of service sector	Percentage of service sector per GDP	SSB	X			The assumption being service sector consumes less materials than other sectors
	1.3	Water consumption	Water consumption per GDP	Shanghai Water Bureau; SSB	X			
	1.4	Material requirement	Total material requirement (TMR) per GDP	SSB	X			Data available in monetary term, update every 5 yrs., 2002, 2007, etc.

	1.5	Industrial land productivity	GDP per area (industrial estate)	Shanghai Land Use Bureau, SSB	X			
	1.6	Unemployment rate	Percentage of unemployed per total number of working-age population	SSB	X			
2. Environment	2.1	Air quality index	PM ₁₀ ; SO ₂ ; NO ₂	Shanghai Environmental Protection Bureau (SEPB)	X			
	2.2	Quality of surface water	COD, DO, pH	SEPB	X			
	2.3	Wastewater treatment	Percentage of treated wastewater/total wastewater	SEPB; SWB	X			
	2.4	Reuse and recycling of solid waste	Percentage of reuse, recycling in industries	SEPB; Shanghai Sanitation Bureau	X			No problem w/ and no data for reuse/recycling in community. Each household normally reuses or sells its waste.
	2.5	Domestic solid waste	Domestic solid waste/capita	Shanghai Sanitation Bureau	X			
	2.6	Hazardous waste From industries	Hazardous waste/industrial output; Total amount	SEPB	X			
	2.7	Hazardous waste from communities	Total amount	Shanghai Sanitation Bureau	X		X	

	2.8	Hazardous waste From hospitals	Total amount	SEPB; Shanghai Sanitation Bureau	X			
	2.9	Public green space	Public green area/total area Public green area/capita)	Shanghai Greenery Bureau; SSB	X			
	2.10	Percentage of ecological conservation zone	Ecological conservation area/total area	Shanghai Greenery Bureau	X			
	2.11	Energy efficiency	Energy consumption growth: population growth	SSB; R&D Commission; Shanghai Economy Commission	X	X		
	2.12	Energy intensity	Total energy consumption per GDP, (Gtoe/1995\$US)	SSB; Shanghai Economy Commission; R&D Commission	X			
	2.13	Energy used by sector	Structure of primary energy	SSB	X	X		
	2.14	Use of clean energy	Percentage of clean energy consumption per total energy consumption in a year	R&D Commission; Shanghai Economy Commission	X	X		Suggested to focus on primary energy (for transport, industry) only, i.e., excluding electricity

	2.15	Transportation mode	Trips by mode of transportation: private car, train, bus or minibus, taxi, motorcycle, bicycle and other non-motorized vehicles, foot, others	Shanghai Transportation Bureau	X			Data collected every 5 yrs, 1985, 1990,..
	2.16	Clean production	Percentage of new industries with CP/total number of new industries in that year	Shanghai Economy Commission		X		
	2.17	Private sector investment in environmental control	Industry, residential construction, tour programs, etc		X		X	Should suggest collect the data
	2.18	Compliance with discharge standard	Compliance rate of key industries	SEPB	X	X		Suggested focusing only main enterprises
3. Socio-Culture	3.1	Overcrowding (indoor residential density)	Indoor living area per person	SSB; Shanghai Landuse Bureau	X			
	3.2	Urbanization	Urban population: total population	SSB	X			
	3.3	Access to housing	Percentage of welfare housing	SSB; Shanghai Landuse Bureau	X			
	3.4	Access to safe drinking water	Access to piped water	SWB	X			99 %
	3.5	Access to improved sanitation	Percentage of housing with individual toilet	SSB; district governments	X			
	3.6	Connection to services (sewage and public transport)	Percentage of people connected to services	County governments	X		X	No data for sewage in rural areas

	3.7	Access to university education	Percentage of pop w/ university education	SSB; Shanghai Education Commission	X			
	3.8	Culture of safety	Emergency response ¹		X		X	No data for investment in emergency preparedness; have data on occurrence of fire
	3.9	Culture of sustainable consumption ²	Water consumption / capita / day; Electricity consumption/ capita/day	SSB; SWB; R&D Commission	X			
4. Environmental Governance	4.1	Government budget commitment to environmental improvement	Annual budget for environment per total budget	SSB	X			Committed 3 % of GDP for next 5 yrs
	4.2	Public access to environmental information	Access to Shanghai state of environmental report, access to information about air and water quality	SEPB	X			
	4.3	Public access to decision making	In policies, plans, projects, EIA, etc.	SEPB	X			Needs a study
	4.4	Local decentralization ³	Whether county and district governments have their own environmental plans	SEPB	X			
	4.5	Government efforts to increase capacity of officials to promote public participation	Percentage of SEPB officials receiving public participation training in a year	SEPB	X			

	4.6	Government efforts to increase capacity of people to participate in environmental decision-making	Number of SEPB's projects or activities to promote people's capacity to participate in a year	SEPB			X	
	4.7	Media's effort to promote people's awareness in environmental issues	Number of articles/reports made in the month of assessment	Study needed			X	Media does promote PP.
	4.8	Public-private partnership on environmental improvement	Number of projects; Capacity of projects Budget size	Study needed			X	
	4.9	Industries' disclosure of their emissions	Percentage of industries that have PRTR ⁴ system	SEPB	X	X		
	4.10	Public awareness in environmental issues	Questionnaire survey	Study needed	X	X		

. The 11th 5-Year Environmental Master Plan “A safe city with overall control of pollution, and a safe and comfortable residential environment, by 2010.”

² The 11th 5-Year Environmental Master Plan. “A resource-saving city with full efforts from the citizens by 2010.”

³ The 11th 5-Year Environmental Master Plan “The district government should be responsible to the effectiveness of environmental construction and improvements of environmental quality in the district.”

⁴ PRTR or Pollutant Release and Transfer Register is a system by which industries disclose their emissions to the general public on a regular basis through, for example, their websites.



Annual Work Plan

China - Beijing

Award Id: 00041200
 Award Title: Environmentally Friendly City Initiative
 Year: 2008

Report Date: 27/5/2008

Project ID	Expected Outputs	Key Activities	Timeframe		Responsible Party	Planned Budget				
			Start	End		Fund	Donor	Budget Descr	Amount US\$	
00046896	Environmentally Friendly City	1.Design/Imp&Man. Index S			CPR-China International Centre	30000	PRIVSECT	71200	International Consultants	10,000.00
					CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	20,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	5,000.00
		2. Capacity building for use			CPR-China International Centre	30000	PRIVSECT	71200	International Consultants	5,000.00
					CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	10,000.00
					CPR-China International Centre	30000	PRIVSECT	71400	Contractual Services - Individ	15,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	15,000.00
		3. Envir. Awareness Buildin			CPR-China International Centre	30000	PRIVSECT	71200	International Consultants	10,000.00
					CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	10,000.00
					CPR-China International Centre	30000	PRIVSECT	71600	Travel	4,000.00
		5.Pilot projects by Expo 201			CPR-China International Centre	30000	PRIVSECT	71200	International Consultants	20,000.00
					CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	20,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	6,000.00
		6. Indirect Project Support			CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	35,000.00
TOTAL									185,000.00	
GRAND TOTAL									185,000.00	



Annual Work Plan

China - Beijing

Award Id: 00041200

Award Title: Environmentally Friendly City Initiative

Year: 2009

Report Date: 27/5/2008

Project ID	Expected Outputs	Key Activities	Timeframe		Responsible Party	Planned Budget				
			Start	End		Fund	Donor	Budget Descr	Amount US\$	
00046896	Environmentally Friendly City	1.Design/Imp&Man. Index S			CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	20,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	15,360.00
		2. Capacity building for use			CPR-China International Centre	30000	PRIVSECT	71400	Contractual Services - Individ	28,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	15,000.00
		3. Envir. Awareness Buildin			CPR-China International Centre	30000	PRIVSECT	71200	International Consultants	5,000.00
					CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	5,000.00
					CPR-China International Centre	30000	PRIVSECT	71600	Travel	3,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	5,000.00
		4. Est. a sister city forum			CPR-China International Centre	30000	PRIVSECT	71600	Travel	3,640.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	65,000.00
		5.Pilot projects by Expo 201			CPR-China International Centre	30000	PRIVSECT	71200	International Consultants	10,000.00
					CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	10,000.00
					CPR-China International Centre	30000	PRIVSECT	72100	Contractual Services-Companie	5,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	10,000.00
TOTAL									200,000.00	
GRAND TOTAL									200,000.00	



Annual Work Plan

China - Beijing

Award Id: 00041200

Report Date: 27/5/2008

Award Title: Environmentally Friendly City Initiative

Year: 2010

Project ID	Expected Outputs	Key Activities	Timeframe		Responsible Party	Planned Budget				
			Start	End		Fund	Donor	Budget Descr	Amount US\$	
00046896	Environmentally Friendly City	1.Design/Imp&Man. Index S			CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	4,500.00
		2. Capacity building for use			CPR-China International Centre	30000	PRIVSECT	71400	Contractual Services - Individ	17,000.00
		5.Pilot projects by Expo 201			CPR-China International Centre	30000	PRIVSECT	71300	Local Consultants	5,000.00
					CPR-China International Centre	30000	PRIVSECT	71600	Travel	10,000.00
					CPR-China International Centre	30000	PRIVSECT	74500	Miscellaneous Expenses	78,500.00
TOTAL									115,000.00	
GRAND TOTAL									115,000.00	