





# United Nations Development Programme

Country: Islamic Republic of Iran

## PROJECT DOCUMENT<sup>1</sup>

**Project Title:** Enabling the Islamic Republic of Iran to prepare its Third National Communication to the UNFCCC

**UNDAF Outcome(s):** National, sub-national and local capacities enhanced to ensure 1) integrated management, conservation and sustainable use of ecosystems, natural resources and biodiversity; 2) mainstreaming environmental economics into national planning and audits; 3) effective use of knowledge and tools in prevention, control and response to current and emerging environmental pollution; 4) formulation and implementation of climate change mitigation and adaptation plans and projects

**UNDP Strategic Plan Environment and Sustainable Development Primary Outcome:**

**UNDP Strategic Plan Secondary Outcome:**

**Expected CP Outcome(s):** Same as the UNDAF Outcome

**Expected CPAP Output (s):** National capacities for mitigation and adaptation to Climate Change supported

**Executing Entity/Implementing Partner:** Department of Environment, Islamic Republic of Iran

**Implementing Entity/Responsible Partners:**

### Brief Description

The objective of this project is to enable Iran to prepare its Third National Communication (TNC) and submit to the Conference of the Parties (COP) of the UN Framework Convention on Climate Change (UNFCCC) according to its Article 12. TNC will be prepared according to the guideline adopted by Decision 17/CP.8 and any other guidance that will be adopted by the COP which are applicable to the national communications of Non-Annex I Parties. As the follow-up project to the INC and the SNC, TNC will update and strengthen information provided on national circumstances including newly developed national regulations, rules and procedures, greenhouse gas inventories, climate change mitigation, vulnerability to climate change and adaptation strategies, and information on capacity building activities including public awareness, education, training, systematic research and observation, and technology transfer. A list of projects related to adaptation to climate change and mitigation of climate change will also be included. Emphasis will be on improving the quality of reporting and development of national strategies based on quantitative approaches. The project will also attempt to streamline climate change considerations with the official national sustainable development plans and to enhance the national capacity to prepare subsequent NCs on a continuous basis that meet the COP guidelines.

Programme Period: June 2011-June 2015

Atlas Award ID: 00060775  
Project ID: 00076671  
PIMS #: 4551  
Start date: 15 June, 2011  
End Date: 15 June, 2015

Management Arrangements \_\_\_\_\_  
PAC Meeting Date \_\_\_\_\_

Total resources required 870,000 US\$

Total allocated resources: 720,000 US\$

- Regular \_\_\_\_\_
- Other:
  - GEF 480,000 US\$
  - Government 390,000 US\$
    - In-kind(Gov.) 240,000 US\$
    - Cash 150,000 US\$

In-kind contributions 240,000 US\$

**Agreed by (Executing Entity/Implementing Partner):**

H.E., Mr. M.J. Mohammadi Zadeh, Vice President and Head of Department of Environment

NAME

SIGNATURE

Date/Month/Year

**Agreed by (UNDP):**

Ms. C. Vidal, Resident Representative of UNDP in Tehran

NAME

SIGNATURE

Date/Month/Year

*Handwritten signature and date: 21<sup>st</sup> Dec. 2011*

<sup>1</sup> For UNDP supported GEF funded projects as this includes GEF-specific requirements

## Abbreviations and Acronyms

|                  |  |
|------------------|--|
| <b>APR/PIR</b>   | Annual Project Review/Project Implementation Reports |
| <b>AWP</b>       | Annual Workplan                                      |
| <b>CCCDB</b>     | Central Climate Change Data Base                     |
| <b>CC</b>        | Climate Change                                       |
| <b>CDM</b>       | Clean Development Mechanism                          |
| <b>CO</b>        | Country Office                                       |
| <b>COP</b>       | Conference of Parties                                |
| <b>CP</b>        | Country Programme                                    |
| <b>DNA</b>       | Designated National Authority                        |
| <b>DOE</b>       | Department of Environment                            |
| <b>FAO</b>       | Food and Agriculture Organization                    |
| <b>FNDP</b>      | Fifth National Socio-Economic Development Plan       |
| <b>GCOS</b>      | Global Climate Observation Systems                   |
| <b>GDP</b>       | Gross Domestic Products                              |
| <b>GEF</b>       | Global Environment Facility                          |
| <b>Gg</b>        | Giga Grams   |
| <b>GHGs</b>      | Greenhouse Gases                                     |
| <b>IEA</b>       | International Energy Agency                          |
| <b>INC</b>       | Initial National Communication                       |
| <b>IRIMO</b>     | Iran's Meteorological Organization                   |
| <b>IPCC</b>      | Intergovernmental Panel on Climate Change            |
| <b>I.R. Iran</b> | Islamic Republic of Iran                             |
| <b>LEAP</b>      | Long-range Energy Alternative Planning system        |
| <b>MDGs</b>      | Millennium Development Goals                         |
| <b>M&amp;E</b>   | Monitoring and Evaluation                            |
| <b>MFA</b>       | Ministry of Foreign Affairs                          |
| <b>NAMAs</b>     | National Appropriate Mitigation Actions              |
| <b>NAPAs</b>     | National Adaptation Programme of Actions             |
| <b>NCCC</b>      | National Climate Change Committee                    |
| <b>NCCO</b>      | National Climate Change Office                       |
| <b>NCCWG</b>     | National Climate Change Working Group                |
| <b>NCSD</b>      | National Committee for Sustainable Development       |
| <b>NCSP</b>      | National Communications Support Programme            |
| <b>NCs</b>       | National Communications                              |
| <b>NGOs</b>      | Non-governmental Organizations                       |
| <b>NMVOC</b>     | Non-methane Volatile Organic Compounds               |
| <b>NPD</b>       | National Project Director                            |
| <b>PA</b>        | Project Assistant                                    |
| <b>NPM</b>       | National Project Manager                             |
| <b>PPR</b>       | Project Progress Report                              |
| <b>QOR</b>       | Quarterly Operational Report                         |
| <b>QPR</b>       | Quarterly Progress Report                            |
| <b>SBAAs</b>     | Standard Basic Assistance Agreement                  |
| <b>SC</b>        | Steering Committee                                   |
| <b>SNC</b>       | Second National Communication                        |
| <b>TNA</b>       | Technology Needs Assessment                          |
| <b>TNC</b>       | Third National Communication                         |
| <b>V&amp;A</b>   | Vulnerability and Adaptation                         |
| <b>UNDAF</b>     | United Nations Development Assistance Framework      |

## Table of Contents (Indexed)

| <b><u>Subject</u></b>   | <b><u>Page</u></b> |
|---|--------------------|
| <b>1. Situation Analysis</b>                                      | <b>5</b>           |
| <b>2. Strategy</b>  | <b>6</b>           |
| <b>3. Project Results Framework</b>                               | <b>10</b>          |
| <b>4. Total Budget and Workplan</b>                               | <b>13</b>          |
| <b>5. Management Arrangements</b>                                 | <b>20</b>          |
| <b>6. Monitoring and Evaluation Framework</b>                     | <b>21</b>          |
| <b>7. Legal Context</b>   | <b>23</b>          |
| <b>8. Appendices</b>  | <b>25</b>          |
| <b>Appendix A: Summary report of the self-assessment exercise</b> | <b>25</b>          |
| <b>Appendix B: Technical components of the project proposal</b>   | <b>33</b>          |
| <b>Appendix C: Terms of Reference</b>                             | <b>50</b>          |
| <b>Appendix D: Endorsement letters</b>                            | <b>53</b>          |



## 1. SITUATION ANALYSIS

### *1.1. Context and significance:*

Iran is a vast country in the Middle East and west Asia with an area of 1.67 million square kilometers and population of about 72 million. Iran is situated in the arid and semi-arid zone of the earth with extremely diverse climate: hot and humid climate in the Persian Gulf and the Sea of Oman, dry and hot climate in the central desert areas, and mild-to-cold climate in the vast Zagros and Alborz mountain areas, as well as mild and humid areas in the Caspian Sea region. The average precipitation in Iran is low at about 250 mm per year and thus water management, food security and human health are pressing issues. Agriculture plays an important role in the national economy of Iran with respect to food supply, labor and jobs. Iran also has a fragile mountainous ecosystem with unique biodiversity. The forest coverage of the country is very low at about 8.7 % of the land. Increased desertification as a result of drought, land use change and shortage of water supply is another pressing national issue. Iran has a very long coastal zone with over 2,250 km long coastal areas in the Persian Gulf and Sea of Oman in the south and over 750 km in the Caspian Sea in the north. Air pollution in large cities and major industrial zones and water pollution are also pressing issues which threaten the human health and ecosystems. These indicate that Iran is highly vulnerable to the adverse impacts of climate change including most of the vulnerabilities that are listed in Article 4.8 of the Convention. In addition, Iran as an oil producing and exporting country is highly dependent on the production and use of fossil fuels. Hence, Iran's vulnerability to the impact of response measures (Article 4.10 of the Convention). The national economy is highly energy intensive with substantial potential for GHG mitigation across major economic sectors.

The vulnerability of Iran to the physical impacts of climate change as well as the impacts of response measures on one hand, and the energy intensive economy of Iran on the other hand, both impede Iran's sustainable development. In fact, the energy sector contributes more than 75% of total GHG emissions. Against this backdrop,, Iran has great stakes in the climate change issue and seriously considers streamlining climate change within its national development plans.

In developing policies, laws, legislations and regulations to tackle environmental issues and establishing the necessary institutional arrangements, over recent years, the government of Iran has paid significant attention to environmental sustainability issues, in particular to those relating to climate change. The government of Iran has ratified the United Nations Framework Convention on Climate Change (UNFCCC) in July 1996 and on 16 October 1996 became a Non-Annex I party to the Convention. Iran also ratified the Kyoto Protocol on 22 August 2005 and established the Designated National Authority (DNA) for CDM in October 2006. Two major Rules of Procedure were prepared by the Department of Environment (DOE) and approved by the Cabinet, respectively in August, 2009 and November, 2010. These are as follows:

1. The National Rules of Procedure (Regulation) for Implementation of the UNFCCC and the Kyoto Protocol;
2. The National Rules of Procedure (Regulation) for Implementation of CDM Projects in Iran and Establishment of the DNA.

The former Rules of Procedure has mandated all relevant ministries and organizations to incorporate climate change considerations in drawing up their development plans. A National Climate Change Committee (NCCC) (or the National Climate Change Working Group (NCCWG)) comprising of the deputy ministries of the most relevant ministries, under the responsibility of the Department of Environment, has been formed to coordinate the work and report to the Government.

### *1.2. Previous Experience in National Communications and Key Lessons*

Iran has submitted its Initial National Communication (INC) to UNFCCC in March 2003 and has finalized its Second National Communication (SNC) which is ready for submission to UNFCCC. It is expected that this

|               |                                      |
|---------------|--------------------------------------|
| <b>UNDP</b>   | United Nations Development Programme |
| <b>UNEP</b>   | United Nations Environment Programme |
| <b>UNESCO</b> | United Nations                       |
| <b>UN</b>     | United Nations                       |
| <b>WEAP</b>   | Water Evaluation And Planning system |
| <b>WGs</b>    | Working Groups                       |
| <b>WMO</b>    | World Meteorological Organization    |

#### Chemical symbols

|                  |   |
|------------------|---|
| CO <sub>2</sub>  | Carbon Dioxide                          |
| N <sub>2</sub> O | Nitrous Oxide                           |
| CO               | Carbon monoxide                         |
| CO <sub>2</sub>  | Carbon dioxide                          |
| CH <sub>4</sub>  | Methane                                 |
| N <sub>2</sub> O | Nitrous oxide                           |
| NM VOC           | Non - Methane Volatile Organic Compound |
| HFCs             | Hydrofluorocarbons                      |
| PFCs             | Perfluorocarbons                        |
| SF <sub>6</sub>  | Sulphur hexafluoride                    |



change considerations into the national development agenda. In particular, the TNC will enable Iran to develop its national climate change programmes and action plan in relation to: assessing its circumstances; systematic preparation of GHGs inventory; developing its climate change adaptation, in particular with reference to the most vulnerable areas (e.g. water resources, agriculture and forestry, coastal zones, biodiversity and human health); improving its climate change monitoring systems in all areas; enhancing its capacity for climate change education, research and public awareness including policy and law makers; prepare itself for technology transfer and implementation of adaptation and mitigation plans.

In addition, as an oil exporting country with an economy highly dependent on the exploitation, use and export of oil and gas, Iran needs to move towards a less carbon intensive economy through nationally appropriate mitigation actions and economic diversification.

## 2.2. *Country Ownership - Sustainability and Replicability*

As described in the “Situation Analysis” above, there exists strong motivation for the Government of Iran at the highest levels to develop and implement its national sustainable development plans consistent with a low emission climate resilient development path as per the provisions of the relevant rules of procedure in recent years. TNC will definitely augment these activities by the Government. All relevant and the most important ministries and organizations are now well aware of the importance of climate change in their sectoral planning while also cognizant of the evolving international situation on climate change. Although the Steering Committee (SC) for the INC was established more than a decade ago, its role and involvement in the NC project has been enhanced during the SNC implementation with its composition modified to engage more organizations. At the present stage of TNC preparation and in an effort to ensure that TNC activities are well coordinated and lead to the formulation of the National Action Plan, in addition to the SC, the government has also established a higher ranking decision-making forum, the National Working Group for Climate Change under the oversight of the Head of the Department of Environment. Over and above national planning on climate change, the latter WG bears a supervisory role in the preparation of the TNC, thus strengthening the *country ownership* of NC (see Section 5 on Management Arrangement). In addition, during the preparation of TNC, the intention would be to involve the provincial authorities in the development and preparation of their respective programs on GHG inventory, as well as climate change mitigation and adaptation. This will be carried out through training programs for targeted provincial audiences. The international knowledge network provided by the National Communications Support Programme (NCSP) and the capacity-strengthening measures proposed in the project (particularly those that strengthen on-going data collection and analysis) will be fundamental in ensuring lasting results from the project. In this way, project *sustainability and replicability* will be guaranteed.

## 2.3. *Project Outcomes, Outputs and Activities*

Project outcomes, outputs and activities are outlined in Section 3 (Project Results Framework) and in Section 4 (Total Budget and Workplan) with more details in Appendix B including a full description of project activities. A summary is provided as follows:

### *Project Outcome:*

Iran’s TNC with the objective of contributing to the achievement of the Integrated UN Programme Results and Budgetary Framework Outcome 3.1: Climate change adaptation and mitigation policies and measures and enhance the national capacity concerning climate change.

*Project Outputs (GEF Project Objective):* Iran’s Third National Communication to the UNFCCC to be developed, submitted and disseminated

### *Project Activities (GEF Project Outputs):*

#### *Activity 1- GHG Inventory:*



submission will take place in October 2011. Preparation of the INC and the SNC have had great influence on national capacity building including streamlining climate change considerations with national development plans as described above, In particular, each relevant ministry or organization has now established a special office to deal with climate change issues such as greenhouse gas inventories, mitigation and adaptation analysis, education and training and development of the national action plan under supervision of the NCCWG. lessons learnt indicate that there are several areas which would need improvement. These areas include the following and will be addressed in the context of the TNC:

- The institutional arrangement set out for preparation of the INC was improved during preparation of the SNC by gradually shifting the responsibility of preparing the national communication to the relevant governmental institutions. However, in preparing the TNC, it is still not possible to completely shift this responsibility to mainstream governmental stakeholders, given the insufficient national capacity and given the need for coordination by the NCCO and the DOE. Furthermore, the composition of the Steering Committee was also changed to include additional organizations.
- National Activity Data for preparation of the sectoral GHG inventory are not readily available and require improvement. A systematic approach is needed for collection of Activity Data and the relevant national statistics. Furthermore, few sources of information are available for the national emission factors. All relevant ministries and organizations have been made responsible for this task and the coordination remains under the responsibility of the DOE.
- Official mitigation policies have not been developed yet and identification of the nationally appropriate mitigation actions (NAMAs) with related budget estimates, timetable and implementation plans for different projects is still an outstanding task. The national capacity in mitigation must be enhanced through education and training, international cooperation in finance and transfer of technology
- Assessment of Iran's vulnerability to climate change in all seven areas studied as per the SNC, namely water resources, agriculture, forestry, coastal zones, human health, biodiversity economic impacts of response measures, need to be further improved by quantifying the vulnerabilities. Regarding adaptation plans very little *official* work has been carried out.
- Considering the Rules of Procedure for Implementation of UNFCCC and the Kyoto Protocol described above which was approved in the final years of the preparation of the SNC, the development of the National Action Plan for Climate Change is still a vital and outstanding task. In this regard, a dearth of information and data and coordination challenges among different ministries and organizations constitutes the main obstacles.
- Although, a SNC study shows that climate change-related education and research are carried out in many educational and research institutions of Iran, there is however no coherence and coordination among such institutions.
- Although there are several institutions in Iran which are responsible for climate change observation systems, a SNC study indicates that in addition to the hardware and software deficiencies required for climate change monitoring, lack of coordination among various organizations, as well as quality and quantity of data rank among major constraints.  
Another important area that needs further *quantitative* work is the Technology Needs Assessment (TNA). The *qualitative* work that was carried out on TNA during SNC should lead to actual technology transfer of the technologies that were prioritized.

## 2. STRATEGY

### 2.1. *Project rationale and approach:*

This project is directly linked to Outcome 4 of the UNDP Country Programme for the Islamic Republic of Iran (2012-2016) with climate change adaptation and mitigation an integral part of the CPD/CPAP. It also addresses the objectives of other UN agencies and programmes in Iran such as UNIDO, UNESCO, WHO, WMO, FAO, etc. As with the INC and SNC, this project will further enhance Iran's national capacity to integrate climate



TNC. An Executive Summary of the TNC will be prepared and translated into Farsi for use by policy and decision makers. A final national conference will be organized to launch the TNC and disseminate the report.

This activity would entail updating GHG inventory with emphasis on addressing uncertainties identified in the SNC. Both Activity Data and Emission Factors need to be improved in quality. Where possible, newly developed national emission factors will be used rather than IPCC default emission factors. The GHG emission inventory for 2010 will be calculated and compared with previous inventories that were estimated for 1994 (INC) and for 2000 (SNC). An attempt will be made to establish a systematic approach for the preparation of the GHG inventories involving all relevant organizations. As mentioned in Section 2.2 above, the intention would be to involve the provincial authorities in the development and preparation of their GHG inventory. This will enhance the country's ability to double check the accuracy of the national GHG inventory as well as to monitor the sectoral and territorial distribution of emissions. It will also be used as a tool to constantly update CC activities at these levels (i.e. serve as feedback in the formulation of future generation of CC activities over the longer-term horizon. Uncertainty estimates and key source analysis will also be carried out. Where possible, the 2006 IPCC Revised Guideline and the IPCC Good Practice Guidelines with higher Tier methods will be used.

*Activity 2- Vulnerability assessment and adaptation measures:*

Iran's SNC has assessed six areas of vulnerabilities including: water resources, agriculture, forestry, coastal zone, biodiversity and human health. However due to lack of data and uncertainties these assessments need to be updated as per the TNC implementation. New areas of vulnerability assessment will address arid and semi-arid areas and wetland ecosystems. A more accurate quantitative analysis of vulnerabilities in these areas will be carried out based on updated data and models. The adaptation measures proposed in the INC and SNC were more qualitative. An attempt will be made to develop more quantitative measures during TNC implementation. In addition, socio-economic impacts of climate change will be carried out by using appropriate models. The new areas of V&A studies for TNC which will be undertaken and have synergies with other international environmental conventions include:

- Wetlands
- Arid and semi-arid areas

Wetlands and Arid and semi-arid areas have already been undertaken by the relevant international conventions, however, the synergies with climate change have not been studied so far. It is the objective of the TNC to work with the national focal points of those Conventions to develop NAPs in these sectors.

*Activity 3- Nationally Appropriate Mitigation Actions (NAMAs):*

The mitigation measures studied in the SNC based on the three scenarios (Business-as-Usual, Official Development and Mitigation) will be further developed with updated economic and technological data. More importantly, these mitigation measures have not so far been officially adopted by the relevant organizations. During the preparation of TNC attempts will be made to change these scenarios to actual cost-effective programmes in various sectors to be implemented by the Government during its future development plans through to 2025. The potential of Iran for GHG mitigation is significant and by developing NAMAs in TNC, Iran will provide its needs for financial and technical assistance to implement mitigation projects.

*Activity 4- Updated information on other areas:*

As with the SNC, under this activity, several areas will be covered including: an update of national circumstances relevant to climate change; climate change education, research and public awareness including a public opinion survey and a survey on decision maker's opinion; climate change observation system; technology needs assessment; constraints and gaps and future steps to streamline climate change considerations into national development plans. Attempts will be made to develop Iran's "National Action Plan" which will include these information along with GHG Inventory, NAMAs and NAPAs.

Also, this activity will result in the preparation, editing, publishing and submission of TNC to the UNFCCC, throughout this process several Steering Committee meetings (At least every six months) and the National Working Group meetings will be held for review, consultation and step-by-step approval of different chapters of



|   |  |  |  |  |
|---|--|--|--|--|
|   | <ul style="list-style-type: none"> <li>for the TNC for the year 2010.</li> <li>Compiling the GHGs emission inventory at provincial level for 2013 and 2014.</li> </ul>   | <p>an ad hoc basis during compilation of inventory for the SNC.</p> <ul style="list-style-type: none"> <li>upgraded V&amp;A software and updated input data required for enhanced V&amp;A analyses</li> <li>SNC does not reflect recent developments</li> <li>The cost of adaptation programmes were not estimated in the SNC</li> </ul> | <p>the TNC</p> <ul style="list-style-type: none"> <li>Provincial level inventory is compiled for the year 2013 and 2014.</li> </ul>  | <ul style="list-style-type: none"> <li>Relevant organizations are committed to the development of the national emission factors.</li> </ul>  |
| <p><b>Outcome 2</b><br/>Vulnerability and Adaptation Assessments</p>  | <ul style="list-style-type: none"> <li>Climate scenarios that reflect current information and modeling techniques</li> <li>Complete V&amp;A chapter of the TNC</li> <li>National Adaptation Programme (NAPs), provided that appropriate financial and technical assistance is received from the Government, in addition to the support from the Enabling Activity Project</li> </ul> | <ul style="list-style-type: none"> <li>Scenarios are prepared that incorporate current data and modeling techniques</li> <li>Key components of the V&amp;A section are updated</li> <li>Complete V&amp;A chapter is prepared for the TNC</li> <li>NAPs is prepared and approved by the Government</li> </ul>                             | <ul style="list-style-type: none"> <li>Project documentation, including training and procurement records</li> <li>Expert review (NCSP) which will be prepared by relevant organizations</li> </ul>                             | <ul style="list-style-type: none"> <li>Relevant organizations are committed to providing the requisite information for V&amp;A assessment.</li> <li>Relevant organizations are committed to incorporating the Adaptation Programmes in their organization's policies and programmes;</li> <li>Relevant organizations are committed to formulation and approval of NAPs and allocating budget for implementation of the adaptation programmes.</li> </ul>   |
| <p><b>Outcome 3</b><br/>Mitigation Analysis</p>                       | <ul style="list-style-type: none"> <li>National Appropriate Mitigation Actions (NAMAs), provided that appropriate financial and technical assistance is received from the Government, in addition to the support from the Enabling Activity Project</li> <li>Complete mitigation chapter of TNC</li> </ul>   | <ul style="list-style-type: none"> <li>The cost of mitigation policies were not estimated in the SNC</li> <li>Volume of fund which allocated by government or international organization for implementation of mitigation policies</li> </ul>  | <ul style="list-style-type: none"> <li>Project documentation, including training and procurement records</li> <li>Expert review (NCSP)</li> <li>The annual reports which will be prepared by relevant organizations</li> </ul> | <ul style="list-style-type: none"> <li>Relevant organizations are committed to providing the requisite information for mitigation assessment.</li> <li>Relevant organizations are committed to incorporating the mitigation measures in their organization's policies and programmes.</li> <li>Relevant organizations are committed to incorporating the mitigation policies in their organization's policies and programmes.</li> <li>Relevant organizations are committed to approval of NAMA and allocating budget for implementation of the mitigation policies</li> </ul> |
| <p><b>Outcome 4</b><br/>National circumstances; Constraints &amp;</p> | <ul style="list-style-type: none"> <li>Project profiles on mitigation and adaptation for funding by any international sources such</li> </ul>  | <ul style="list-style-type: none"> <li>The project profiles for mitigation and adaptation were not addressed in SNC</li> </ul>   | <ul style="list-style-type: none"> <li>The annual reports which will be prepared by relevant organizations</li> </ul>  | <ul style="list-style-type: none"> <li>Relevant organizations are committed to incorporating CC in national development plan.</li> <li>Relevant organizations are</li> </ul>   |

### 3. PROJECT RESULTS FRAMEWORK:

| <p>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: National, sub-national and local capacities enhanced to ensure 1) integrated management, conservation and sustainable use of ecosystems, natural resources and biodiversity; 2) mainstreaming environmental economics into national planning and audits; 3) effective use of knowledge and tools in prevention, control and response to current and emerging environmental pollution; 4) formulation and implementation of climate change mitigation and adaptation plans and projects</p> |  |  |  |   |  |
|--|--|--|--|---|--|
| <p><b>Country Programme Outcome Indicators</b></p> <p>Indicator 4.1. Number of localized (tailored to national context) frameworks and mechanisms that integrate sustainable environmental management</p> <p>Indicator 4.2. Frameworks for improved PCB and HCFC management in place and implementation started<sup>2</sup>(Y es/No)</p> <p>Indicator 4.3. Localized frameworks, mechanisms and models (tested and piloted according to national context) on climate change mitigation and adaptation are developed (Yes/No).</p>  |  |  |  |   |  |
| <p><b>Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): 1. Mainstreaming environment and energy OR 2. Catalyzing environmental finance OR 3. Promote climate change adaptation OR 4. Expanding access to environmental and energy services for the poor.</b></p>  |  |  |  |   |  |
| <p><b>Applicable GEF Strategic Objective and Program: Enabling Activities: Climate Change</b></p>  |  |  |  |   |  |
|  | Indicator  | Baseline   | Targets<br>End of Project  | Source of verification  | Risks and Assumptions  |
| Project Objective <sup>3</sup><br>Preparation of the Third National Communication (TNC)  | Preparation and submission of the TNC  | Initial and Second National Communication in place   | June 2015  | The approval of the SC and the NCCWG of TNC which reflects the political, technical and financial support of the Government.                                      | <ul style="list-style-type: none"> <li>Strong political support for the preparation of the TNC;</li> <li>Financial support from the government;</li> <li>Technical support from the NCSP/UNDP.</li> </ul>  |
| Outcome 1 <sup>4</sup><br>GHG Inventory  | <ul style="list-style-type: none"> <li>GHG inventory with Tier 2 data for key sources and national emission factors</li> <li>Establishment of continuous data measurement and analysis system</li> <li>Complete inventory chapter</li> </ul> | <ul style="list-style-type: none"> <li>Tier 2 data not listed for all key sources in the SNC</li> <li>IPCC 1996 guidelines used for compiling inventory in the SNC</li> <li>Data collected on</li> </ul> | <ul style="list-style-type: none"> <li>GHG inventory uses Tier 2 data for key source emissions</li> <li>Data collection and analysis is institutionalized</li> <li>Complete inventory chapter is prepared for</li> </ul> | <ul style="list-style-type: none"> <li>Project documentation</li> <li>Government reports</li> <li>SC's approval</li> <li>External expert review (NCSP)</li> </ul> | <ul style="list-style-type: none"> <li>Enterprises will be willing and able to share data on their emissions with the project team, etc.;</li> <li>Relevant organizations are committed to generating the requisite information for compiling emission inventories on a continuous basis;</li> </ul> |

<sup>2</sup> PCB= polychlorinated biphenyls, HCFC = Hydrochlorofluorocarbon

<sup>3</sup> Objective (Atlas output) monitored quarterly ERBM and annually in APR/PIR

<sup>4</sup> All outcomes monitored annually in the APR/PIR. It is highly recommended not to have more than 4 outcomes.



4. TOTAL BUDGET AND WORKPLAN

| 00060775<br>ENABLING ACTIVITIES FOR THE PREPARATION OF IRAN'S THRID NATIONAL COMMUNCIATION TO THE UNFCCC, PIMS 4551 |  |              |                       |                           |                           |        |        |        |         |        |
|---|--|--------------|-----------------------|---------------------------|---------------------------|--------|--------|--------|---------|--------|
| 00076671<br>ENABLING ACTIVITIES FOR THE PREPARATION OF IRAN'S THRID NATIONAL COMMUNCIATION TO THE UNFCCC, PIMS 4551 |  |              |                       |                           |                           |        |        |        |         |        |
| DPARTMENT OF ENVIRONMENT  |  |              |                       |                           |                           |        |        |        |         |        |
| Executing Agency  | GEF Outcome/Atlas Activity                     | Resp. Party  | Planned Budget (US\$) |                           |                           |        |        |        |         |        |
|   |  |              | Source of Fund        | Budget Code               | Budget Description        | Year 1 | Year 2 | Year 3 | Year 4  | Total  |
| Iran's Third National Communication   | <i>Output 1. Inventory</i>                     | <i>Total</i> |                       |                           |                           | 17,023 | 10,334 | 2,580  | 2,786   | 32,723 |
|   | National Greenhouse Gases Inventory            | DOE          | GEF/62000             | 71300                     | Local consultant          | 11,917 | 7,945  | 0      | 0       | 19,862 |
|   |  |              | GEF/62000             | 71400                     | Contractual Services      | 1,106  | 2,389  | 2,580  | 2,786   | 8,861  |
|   |  |              | GEF/62000             | 72200                     | Equipment                 | 2,000  |        |        |         | 2,000  |
|   |  |              | GEF/62000             | 71600                     | Travel                    | 2,000  |        |        |         | 2,000  |
|   |  |              | GEF/62000             | 74500                     | Miscellaneous             |        |        |        |         | 0      |
|   | <i>Output 2. V&amp;A. total</i>                | <i>Total</i> |                       |                           |                           | 5,677  | 31,676 | 18,074 | 0       | 55,427 |
|   | Vulnerability Assessment and Adaptation Policy | DOE          | GEF/62000             | 71300                     | Local consultant          | 4,018  | 20,092 | 16,074 | 0       | 40,184 |
|   |  |              | GEF/62000             | 71200                     | International Consultants | 0      | 6,000  | 0      | 0       | 6,000  |
|   |  |              | GEF/62000             | 71400                     | Contractual Services      | 1,659  | 3,583  | 0      | 0       | 5,242  |
|   |  | GEF/62000    | 71600                 | Travel                    | 0                         | 2,000  | 2,000  | 0      | 4,000   |        |
|   |  | GEF/62000    | 74500                 | Miscellaneous             | 0                         | 0      | 0      | 0      | 0       |        |
| <i>Output 3. Mitigation</i>   | <i>Total</i>                                   |              |                       |                           | 3,106                     | 24,131 | 11,041 | 2,786  | 41,064  |        |
| Programs and measures to mitigate climate change  | DOE  | GEF/62000    | 71300                 | Local consultant          | 0                         | 19,742 | 8,461  | 0      | 28,203  |        |
|   |  | GEF/62000    | 71200                 | International Consultants | 0                         | 0      | 0      | 0      | 0       |        |
|   |  | GEF/62000    | 71400                 | Contractual Services      | 1,106                     | 2,389  | 2,580  | 2,786  | 8,861   |        |
|   |  | GEF/62000    | 72200                 | Equipment                 | 2,000                     | 0      | 0      | 0      | 2,000   |        |
|   |  | GEF/62000    | 71600                 | Travel                    | 0                         | 2,000  | 0      | 0      | 2,000   |        |
|   |  | GEF/62000    | 74500                 | Miscellaneous             | 0                         | 0      | 0      | 0      | 0       |        |
| <i>Output 4. National Circumstances, Other Information, etc.</i>  | <i>Total</i>                                   |              |                       |                           | 37,829                    | 59,807 | 59,177 | 68,340 | 225,155 |        |
| 4.1. National circumstances   |  |              | GEF/62000             | 71300                     | Local consultant          | 8,479  | 20,983 | 19,917 | 28,479  | 77,859 |
| 4.2. Other relevant information including TNA,  |  |              | GEF/62000             | 71200                     | International Consultants | 0      | 4,000  | 2,000  | 0       | 6,000  |

|   |   |   |  |  |  |
|---|---|---|--|--|--|
| <p>gaps, related financial, technical, &amp; capacity needs; Other relevant information</p> | <ul style="list-style-type: none"> <li>as GCF, GEF, etc.</li> <li>National Action Plan on Climate Change</li> <li>Technology Needs Assessment (TNA) for Adaptation</li> <li>Establish institutional arrangement for climate change at DOE and relevant organizations</li> <li>Allocation of budget and recruiting experts for climate change affairs</li> </ul> | <ul style="list-style-type: none"> <li>The technology needs for adaptation were not addressed in SNC</li> <li>The action plan for GCOS is not yet prepared</li> <li>The institutional arrangement were not established in relevant organizations</li> <li>CC was not adequately addressed in the 5<sup>th</sup> FYDP</li> <li>There is no dedicated CC programme/ curriculum at university level</li> </ul> | <p>and the required budget is allocated</p> <ul style="list-style-type: none"> <li>Courses/curriculum are defined for climate change at schools and university levels</li> </ul> | <ul style="list-style-type: none"> <li>The 6<sup>th</sup> FYDP document</li> </ul> | <p>committed to establishment of CC units in their organizational chart.</p> <ul style="list-style-type: none"> <li>Relevant organizations are committed to designing the CC related curriculum</li> </ul> |
|---|---|---|--|--|--|



**WORK PLAN (Project start date: 15 June, 2011)**

| Outputs/activities   | Year 1 |       |       |       | Year 2 |       |       |       | Year 3 |       |       |       | Year 4 |       |       |       |
|--|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
|  | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q |
| <b>Implementation arrangements and project inception:</b>  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1. Recruitment and hiring the National Project Manager (NPM) and Project Assistant (PA)  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2. Project planning and preparing detailed workplan (Annual and quarterly for year 1)  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3. Organizing the TNC inception workshop   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4. Preparing detailed TORs for working groups and dissemination among ministries, universities and research organizations as a first step in search, selection and recruitment processes |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 5. Recruitment and hiring of working group team leaders and other staff  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>1. Greenhouse gas inventory</b>   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.1. National coordination /training workshop for working groups and experts from DOE provincial directorates  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.2. Revise the input data, taking into consideration data gaps and areas identified in the stocktaking exercise that need improvement   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.3. Gather available data from national sources to fill inventory data gaps; Identify and develop methods for overcoming inventory data gaps if there is no available data              |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.4. Undertake national GHG inventories for 2010   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.5. Undertake GHG inventories at provincial levels for 2013 and 2014  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |

| GCOS, research, education and training and public awareness | DOE/ UNDP/ NCSP | GEF/62000  | 71400        | Contractual Services        | 28,350        | 33,824         | 34,260         | 35,861         | 132,296        |
|---|-----------------|------------|--------------|-----------------------------|---------------|----------------|----------------|----------------|----------------|
| 4.3. Constraints and gaps                                   |                 | GEF/62000  | 71400        | Contractual Services        | 28,350        | 33,824         | 34,260         | 35,861         | 132,296        |
| 4.4. Technical/Administrative assistance                    |                 | GEF/62000  | 71600        | Travel                      | 0             | 0              | 2,000          | 2,000          | 4,000          |
| 4.5. Compilation, production of TNC                         |                 | GEF/62000  | 72200        | Equipment                   | 0             | 0              | 0              | 0              | 0              |
| 4.6. Monitoring and reporting                               |                 | GEF/62000  | 74500        | Miscellaneous               | 1,000         | 1,000          | 1,000          | 2,000          | 5,000          |
| <i>Output 5. Project management</i>                         | <i>Total</i>    | <i>GEF</i> | <i>71400</i> | <i>Contractual Services</i> | <i>27,880</i> | <i>30,111</i>  | <i>32,519</i>  | <i>35,121</i>  | <i>125,631</i> |
| <b>Total</b>  |                 |            |              |                             | <b>91,516</b> | <b>156,058</b> | <b>123,391</b> | <b>109,034</b> | <b>480,000</b> |

### Summary of Funds:

| Source of Fund/Amount(US\$)          | Year 1         | Year 2         | Year 3         | Year 4         | Total          |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>GEF</b>                           | 91,810         | 156,049        | 125,086        | 107,056        | 480,000        |
| <b>Government<sup>5</sup> (cash)</b> |                | 50,000         | 50,000         | 50,000         | 150,000        |
| <b>Government (in-kind)</b>          | 60,000         | 60,000         | 60,000         | 60,000         | 240,000        |
| <b>TOTAL</b>                         | <b>151,810</b> | <b>266,049</b> | <b>235,086</b> | <b>217,056</b> | <b>870,000</b> |

<sup>5</sup> The Government's contribution (in-cash) is not broken-down across project activities. It will be disbursed for preparation of NAMAs and NAPAs, after its approval by the government. If the government does not approve this budget, the preparation of NAMAs and NAPAs will be limited to broader mitigation and adaptation strategies as against the official action plan.



| Outputs/activities  | Year 1 |       |       |       | Year 2 |       |       |       | Year 3 |       |       |       | Year 4 |       |       |       |
|---|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
|   | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q |
| 2.10. Organize workshop to discuss the V&A results  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.11. Finalize vulnerability assessment and NAPs, including stakeholder comments  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>3. Programmes containing measures to mitigate climate change</b>   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.1. Develop a baseline scenario to mitigate GHG emissions  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.2. Revise measures contained in the INC and SNC according to latest economic developments and national programs, including quantitative measures in all sectors   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.3. Develop a series of mitigation scenarios to project possible GHG emissions trends  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.4. Draft Nationally Appropriate Mitigation Actions (NAMAs) to abate the trend of GHGs emissions (Development of NAMAs under Enabling Activity for TNC is indeed plausible. However, we will attempt to take initial steps towards development of NAMAs and NAPs to the extent possible and depending upon the amount of support that we receive from the Government). |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.5. Identify, formulate and prioritize programmes to mitigate climate change within the framework of sustainable development and the 5th FYDP  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.6. Finalize GHG abatement analysis using the selected tools and additional background information in order to finalize the cost-benefit analyses of different measures  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.7. Formulate NAMAs to abate the GHG emissions including cost analysis   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.8. Workshop to present and discuss the GHG draft national action plan   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 3.9. Finalize NAMA and provide to the Government for  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |

| Outputs/activities   | Year 1 |       |       |       | Year 2 |       |       |       | Year 3 |       |       |       | Year 4 |       |       |       |
|--|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
|  | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q |
| 1.6. Describe procedures and arrangements to prepare GHGs emission inventory on a continuous basis at national and provincial levels, collect and archive data for the preparation of national GHG inventories, including information on the role of the institutions involved |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.7 Organize workshop for presentation and discussion of the GHG inventory for SC members  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 1.8. Finalise GHG Inventory  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>2. Programmes containing measures to facilitate adaptation to climate change</b>  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.1. Organize a national training/coordination workshop  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.2. Revise the scenarios for climate change, applying the PERCIS model  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.3. Analyze climate change for the period 1970-2010 for meteorological and hydrological stations not addressed in SNC   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.4. Analyze climate variability   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.5. Review vulnerability assessment for agriculture, forests, water resources, natural ecosystems, public health and coastal zone sectors.  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.6. Describe links between climate and socio-economic baseline conditions of the country in the most vulnerable sectors   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.7. Draft vulnerability assessment report   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.8. Prepare a draft National Adaptation Programme (NAPs) on climate change  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 2.9. Cost-benefit analysis of the proposed adaptation measures and priority setting  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |



| Outputs/activities   | Year 1 |       |       |       | Year 2 |       |       |       | Year 3 |       |       |       | Year 4 |       |       |       |
|--|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
|  | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q |
| 4.2.5. Provide information on capacity-building activities in accordance with decision 2/CP.7 focusing on coordination and sustainability of capacity-building process and integration of climate change adaptation programmes into medium and long-term planning. |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>4.3. Constraints/gaps and related financial, technical and capacity needs</b>   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.3.1. Provide information on financial, technical and capacity needs while undertaking activities, measures and programmes to implement the Convention and improve the national communication on the continuous basis   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.3.2. Provide information on financial and technical resources or other in-kind contribution made available by the Government for preparation of NCs  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.3.3. Provide the list of project proposals for funding specifying the technologies to be used and equipment required   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.3.4. Provide list of adaptation measures/projects focusing on barriers and ways to overcome these barriers   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.3.5. Provide information on technology and local know-how development needs  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>5. Preparation and submission of the TNC</b>  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 5.1. Compile a draft national communication and circulate for SC comments  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 5.2. Finalize, print and submit the Third National Communication   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |

| Outputs/activities  | Year 1 |       |       |       | Year 2 |       |       |       | Year 3 |       |       |       | Year 4 |       |       |       |
|---|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
|   | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q | 1st Q  | 2nd Q | 3rd Q | 4th Q |
| approval  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>4. National circumstances, Constraints/gaps and Other relevant information</b>   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>4.1. National circumstances</b>  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.1.1 Development priorities, objectives and national circumstances   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.1.2 Describe national and regional development objectives, priorities and programmes  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.1.3 Upgrade the information on features of national geography, climate, natural resources and socio-economic conditions   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.1.4 Assessing the status of climate change governance and policy making within country and its gap  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.1.5 Compilation of information from existing sources  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| <b>4.2. Research and education, public awareness and technology needs assessment</b>  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.2.1. Assess technology needs for mitigation and adaptation and evaluate enabling environment;   |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.2.2. Report on progress and activities related to technology transfer;  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.2.3. Provide information on regional, national or local research programmes conducted on: GHG inventory (AD, EF), vulnerability & adaptation, mitigation and climate change observation system. |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |
| 4.2.4. Provide information on institutional framework for implementation of Article 6 of the Convention, implemented and planned activities;  |        |       |       |       |        |       |       |       |        |       |       |       |        |       |       |       |



## 6. MONITORING AND EVALUATION FRAMEWORK

The project will be monitored through the following M& E activities. The M& E budget is provided in the table below.

### Project start:

A Project Inception Workshop will be held within the first 3 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- a) Assist all partners to fully understand and take ownership of the project. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- b) Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- d) Discuss financial reporting procedures and obligations.
- e) Plan and schedule Project Steering Committee meetings. Roles and responsibilities of all project organization structures should be clarified and meetings planned. The first Project Steering Committee meeting should be held within the first 12 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

### Bi-annually:

- Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out twice a year.
- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc...

### Annually:

- Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

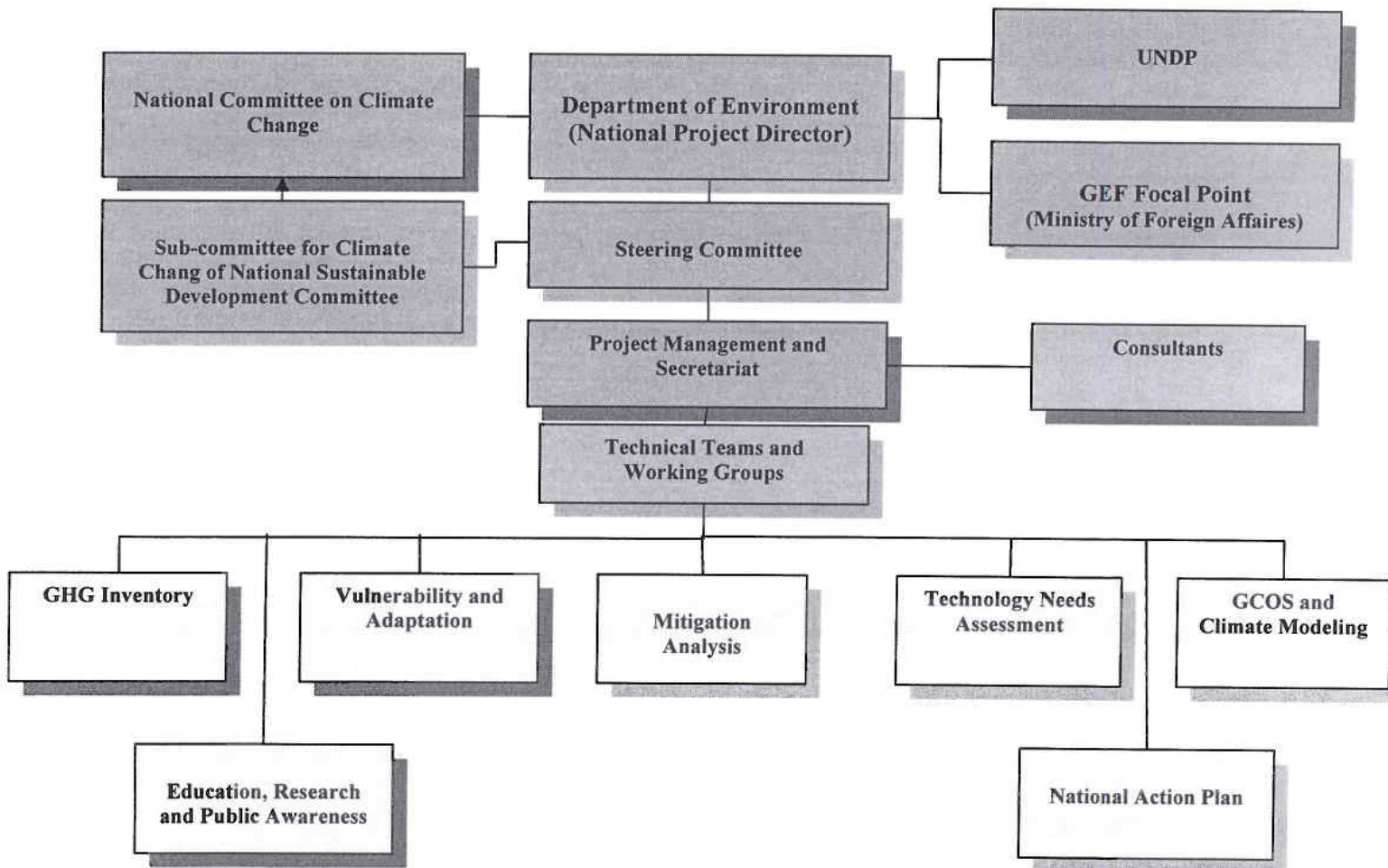
The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports

**5. MANAGEMENT ARRANGEMENTS**

The project will be executed by the NCCO of Iran’s Department of Environment (DOE) in close collaboration with other relevant ministries and institutions, under the guidance of the project Steering Committee and National Committee for Climate Change (Working Group). For further elaboration of management and institutional arrangements, please see Section 5 of Appendix B on page 45. The Steering Committee is responsible for management oversight. The National Project Manager (NPM) on behalf of DOE will work closely with UNDP and MFA to implement the project and to ensure that the project is launched on a solid platform. Steering Committee meetings will be convened regularly and workplan implementation shall be monitored closely. UNDP responsibilities include: trouble shooting; technical backstopping and monitoring of project implementation; project document revisions; reviewing, editing and responding to reports; financial management and accountability; and operational completion activities.

**Management Arrangements for Preparing the Third National Communication**





| Type of M&E activity              | Responsible Parties   | Time frame   |
|-----------------------------------|---|--|
|                                   | <ul style="list-style-type: none"> <li>▪ UNDP RTA</li> <li>▪ UNDP EEG</li> </ul>                |  |
| Periodic status/ progress reports | <ul style="list-style-type: none"> <li>▪ Project manager and team</li> </ul>                    | Bi-annually (second and fourth quarter – the latter as part of the annual ARR/PIR) |
| Project Terminal Report           | <ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> </ul> | At least three months before the end of the project                                |
| Audit                             | <ul style="list-style-type: none"> <li>▪ UNDP CO</li> <li>▪ Project manager and team</li> </ul> | Yearly   |

## 7. LEGAL CONTEXT

Standard text has been inserted in the template. It should be noted that although there is no specific statement on the responsibility for the safety and security of the executing agency in the SBAA and the supplemental provisions, the second paragraph of the inserted text should read in line with the statement as specified in SBAA and the supplemental provision, i.e. “the Parties may agree that an Executing Agency shall assume primary responsibility for execution of a project.”

**If the country has signed the Standard Basic Assistance Agreement (SBAA), the following standard text must be quoted:**

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP’s property in the implementing partner’s custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner’s security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

**If the country has not signed the SBAA, the following standard text must be quoted:**

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto.

Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP’s property in the implementing partner’s custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

- Risk and adaptive management
- ATLAS QPR

### Periodic Monitoring:

A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Steering Committee Meetings, (or relevant advisory and/or coordination mechanisms) and (ii) project related Monitoring and Evaluation activities.

*Day to day monitoring of implementation progress* will be the responsibility of the Project Coordinator, Director or CTA (depending on the established project structure) based on the project's Annual Workplan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

*Periodic monitoring of implementation progress* will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

### End of Project:

During the last three months, the project team will prepare a brief terminal report. This brief report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

### Learning and knowledge sharing:

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

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.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

### M& E Workplan and Budget

| Type of M&E activity  | Responsible Parties  | Time frame  |
|---|--|---|
| Inception Workshop and Report   | <ul style="list-style-type: none"> <li>▪ Project Manager</li> <li>▪ UNDP CO, UNDP GEF</li> </ul>   | Within the first quarter of project start up  |
| Measurement of Means of Verification of project results.                                      | <ul style="list-style-type: none"> <li>▪ UNDP GEF RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members.</li> </ul> | Start, mid and end of project (during evaluation cycle) and annually when required. |
| Measurement of Means of Verification for Project Progress on <i>output and implementation</i> | <ul style="list-style-type: none"> <li>▪ Oversight by Project Manager</li> <li>▪ Project team</li> </ul>   | Annually prior to ARR/PIR and to the definition of annual work plans                |
| ARR/PIR   | <ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> </ul>  | Annually  |



## 8. Appendices

### Appendix A: Summary report of the self-assessment exercise

#### A. Methodology

The national communication project management at the National Climate Change Office (NCCO) of the Department of Environment (DOE) has remained intact during preparation of the INC and the SNC. Consequently, the *methodology and approach* for the TNC is based on ten years of experience in the implementation of earlier Enabling Activity . The stocktaking exercise focused on all thematic areas related to the National Communications for non-Annex 1 countries as indicated by 17/CP.8 with anticipation that new and additional decisions by the COP may lead to revised guidelines for NCs.

The following approach were used for the stocktaking:

- The INC and “draft” SNC were disseminated among all members of the SC and the NCCWG for review and comments;
- The relevant UNFCCC/IPCC Guidelines including Decision 17/CP.8 were disseminated among all SC and NCCWG for their review and introduction of the framework;
- Three SC consultative meetings with SC members and one joint meeting with the NCCWG were convened;
- The Sub-Committee for Climate Change under the National Sustainable Development Committee was consulted with;
- In addition, the heads of the working groups who were responsible for coordination of different chapters of the SNC were invited to the stocktaking exercise and stakeholders consultation.

A list of stakeholders involving representatives from various ministries and organizations, academia and NGOs that were consulted with during the stocktaking exercise is provided as per Table A.1 below. The consultative meetings were held at the NCCO of the Department of Environment (DOE) with the participation of the NPD with the NPM acting as the secretariat. The Head of DOE and Iran’s Vice President also chaired one of the consultative meetings.. The dates of these meetings are also listed in Table A.2. Representative from UNDP Country Office was always invited to the SC meetings.

However, extensive consultation with all stakeholders, including members of the SC and (NCCWG) from different ministries and organizations was needed for a discussion of the following issues:

#### A.1 General process of preparing TNC

- Identification of constraints and gaps;
- Areas of improvement;
- New areas of studies - link to other environmental conventions;
- Project management options and approaches and distribution of tasks among different stakeholders/institutional arrangement which would facilitate country ownership over the TNC and future NCs;
- Approaches to capacity building;
- Approaches to data collection for TNC;
- Identification of priority areas;
- Timing of the project;
- Decision on the base year for statistics and data for compiling the inventory;
- New and additional members of SC;
- Working groups and their terms of reference (ToR);
- Frequency of the SC meetings;
- Inception workshop;

b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

**The following standard text for a global/ multi country and regional projects should be included:**

This project forms part of an overall programmatic framework under which several separate associated country level activities will be implemented. When assistance and support services are provided from this Project to the associated country level activities, this document shall be the "Project Document" instrument referred to in: (i) the respective signed SBAs for the specific countries; or (ii) in the Supplemental Provisions attached to the Project Document in cases where the recipient country has not signed an SBA with UNDP, attached hereto and forming an integral part hereof.

This project will be implemented by the agency (name of agency) ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

The responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. The Implementing Partner shall: (a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried; (b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The Implementing Partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.



*e. Management:* Frequent changes of NPD during preparation of INC and SNC have caused delays in the process.

*f. UNDP/GEF Operational Procedure:* Frequent changes in operational procedures by UNDP and GEF including delays in disbursement of funds have also caused delays.

*B.1-2 Areas of improvement,*

*a. Establishment of national regulations on Climate Change:* Establishment of the National Climate Change Committee in 2009 will expedite climate policy integration in national development planning.

*b. Involvement of several organizations in climate change activities:* These include Ministry of Energy for inventory and mitigation in the energy sector as well as vulnerability of water resources; Ministry of Petroleum for inventory and mitigation in the energy sector; Ministry of Industries and Mines for the inventory and mitigation in industrial processes, Ministry of Agriculture and its Forest, Rangeland and Watershed Organization for inventory, mitigation and V&A in water resources, agriculture, fisheries, desertification, wetlands, biodiversity and forestry, educational and research institutions for climate change education and research; Iran Meteorological Organization for climate modeling and GCOS activities; National Oceanography Center for V&A studies on coastal zones, Ministry of Health for climate change and human health, etc.

*B.1-3 New areas of studies – link to other environmental conventions,*

Stakeholder consultations identified the need for more attention to synergies between climate change and other areas such: desertification, water resources, human health, biodiversity, wetland ecosystems and ozone layer depletion. Therefore, it was decided to include such studies in the TNC as a joint collaborative task with other international conventions the Iran is a party to.

*B.1-4 Approaches to project management and work distribution among different stakeholders-institutional arrangement which would facilitate country ownership over the TNC and future NCs,*

Lengthy discussions were carried out during SC and NCCWG meetings as to whether the TNC can be produced by distributing the tasks among different stakeholders (i.e. adopting a decentralized approach). It was concluded that the approach that was followed during the preparation of the SNC would still be effective. Thus, It was decided for the NCCO, under the responsibility of the DOE, to be responsible for the recruitment of the working groups among the experts who are nominated by the relevant ministries, academia or research organizations. NCCO will also continue to coordinate the work at the national level, collect the sectoral reports, obtain the approval of the SC and report to NPD. In parallel, the NCCWG which would be responsible for the preparation of the “Country Report on Climate Change”, shall work under the supervision of the Head of DOE or his deputy. The “Country Report” is a national activity that will be produced annually. These reports can then be used as a reference for producing the TNC. Thus, it was decided that until such time that the NCCWG gains experience in preparing the “Country Report”, the process for preparation of TNC and future NCs shall remain unaltered.

*B.1-5 Approaches to capacity building,*

Enabling activities under INC and SNC have been very effective in national capacity building, a manifestation of which has been government’s decision to develop regulations and legislation on climate change. This has been achieved through many workshops involving a variety of stakeholders, including NGOs and provincial training workshops, development of national climate change website, finalisation and dissemination of the NCs and of guidebooks on climate change, establishment of several national committees such as the SC, the NCCC, the Sub-Committee for Climate Change under the National Sustainable Development Committee and the establishment of institutional arrangements in various ministries and organizations- although the latter is not fully achieved yet. It is intended to enhance this capacity building activity during preparation of the TNC in such a way that climate change considerations are streamlined with the national development plans.



- Methodology for interaction with the NCCWG;
- Mainstreaming with official development plans and preparation of the National Action Plan;

## **A.2 TNC's Technical Components**

- National circumstances
- GHGs Inventory;
- GHGs mitigation;
- V&A assessment;
- Other information including:
  - Research, education and public awareness,
  - Climate change observation systems,
  - Technology needs assessment,
  - Synergies with other relevant international conventions (biodiversity, desertification, ozone layer, wetlands, etc.)
  - Constraints and gaps,
  - Preparation of NAPs and NAMA and list of Mitigation/Adaptation projects for funding
- Mainstreaming with National Development Plan and National Action Plan.

## **B. Findings**

### **B.1 General Process of preparing TNC:**

#### *B.1-1 Identification of constraints and gaps,*

*a. Institutional:* Although the National Rules of Implementation of the UNFCCC and the Kyoto Protocol was approved by the Government over two years ago, institutional arrangements in the DOE and other relevant organizations have not been fully established. The purpose of these Rules was to enhance the national capacity to streamline climate change issues with the national development plans. These issues are essentially those addressed in the NCs. Thus, according to the Rules, each task of TNC which is related to the activities of each organization, must be undertaken by that organization which requires appropriate institutional arrangements to be established. Therefore, a dedicated office along with the necessary expert team within each organization to collaborate in preparation of TNC is not yet in place. This makes the task much more challenging given unclear responsibilities and consequently time consuming coordination arrangements required of the NCCO.

*b. Information sources and data:* During preparation of INC and SNC, NCCO experienced great difficulties in obtaining the required data including the Activity Data for GHG inventory and data required for mitigation and V&A assessments. In addition, Very limited national emission factors and contradictory data constituted additional obstacles.

*c. Financial:* Since the budget allocated for NCs of Non-Annex I Parties by the GEF is limited, myriad research tasks for different chapters remain under-funded. This detracts from the quality of work and a time-consuming NC preparation process. Additional financial resources from national and international sources should therefore be sought.

*d. Experts:* Although in recent years significant attention has been drawn to climate change issues at national academic and research institutes, nevertheless, finding relevant experts who are familiar with UNFCCC and IPCC guidelines, proficient in English and have access to the information necessary for preparation on NCs is a challenge.



*B.1-10 Working groups and their terms of reference (ToR),*

The following working groups (WG) will be established by the NCCO to carry out the tasks of TNC implementation. Each will have a coordinator:

- WG on national circumstance;
- WG on GHG inventory (Five WGs: energy, industrial processes, agriculture, forestry and waste);
- WG on mitigation (Two WGs on Energy and Non-energy sectors);
- WG on V&A (Nine WGs: Water resources, agriculture, forestry, coastal zones, human health, biodiversity, wetlands, desertification and economic impacts);
- WG on climate change education and research;
- WG on climate systematic observation (Four WGs: atmospheric, terrestrial, water resources and satellite);
- WG on capacity building (education, training, public awareness, institutional arrangement, information and networking, technology needs, laws and regulations, financial, etc);
- WG on synthesis of all elements to produce a national action plan.

*B.1-11 Frequency of the SC meetings,*

During the preparation of TNC, it was decided for the SC meetings to be held at least every six months, and if required more frequently.

*B.1-12 Methodology for interaction with the NCCWG,*

It was mentioned above that NCCWG is responsible for the “Country Report” which will be produced annually. Given that country reports have not, as yet, been prepared, the TNC cannot rely on such reports. However, coordination with NCCWG is needed through reporting the progress of TNC implementation to the NCCWG at least every six months.

*B.1-13 Budget allocation and distribution,*

Similar to the SNC, allocations of funds to different tasks have been made as outlined as per Section 4 (Total Budget and Workplan).

*B.1-14 Mainstreaming with official development plans and preparation of the National Action Plan.*

**B.2 TNC’s Technical Components**

Details of the technical components of the TNC proposal is provided as per Appendix B of this document. However, a brief description of each task and method of implementation is given as follows:

*B.2-1 National circumstances,*

With recent developments such as the newly approved National Rules of Procedure on Climate Change and establishment of the NCCWG, energy reform and the new pricing policies and the increasing adverse impact of climate change on Iran, Iran’s national circumstances must be reviewed and updated during TNC implementation.

*B.2-2 GHGs Inventory,*

This task is the responsibility of all relevant ministries and organizations coordinated by the NCCO as follows:

- The inventory of energy sector will be prepared through collaboration with the Ministry of Energy;
- The inventory of industrial processes will be prepared through collaboration with the Ministry of Industries and Mines;
- The inventory of agriculture and forestry sectors will be prepared through collaboration with the Ministry of Agriculture (or its research institutions);

#### *B.1-6 Approaches to data collection for TNC,*

As mentioned above, data collection has been a major constraint during the implementation of both INC and SNC. The following remedial approaches for data collection were proposed during stocktaking and stakeholder consultations which are to be implemented during TNC to the extent possible:

- a. A *Central Climate Change Data Base (CCCDB)* is to be designed and established at the NCCO to collect all data necessary for climate change purposes. The CCCDB includes: activity data and emission factors for emission inventories, national energy data relevant to climate change (extracted from the Energy Balance Year Book prepared annually by the Ministry of Energy and the Hydrocarbon Balance Year Book prepared annually by the Ministry of Petroleum) and checked for consistency, comparability and accuracy. These data will then be compiled in the CCCDB. Other required data for mitigation and V&A assessment are collected from the relevant organizations such as Department of Environment, Ministry of Energy, Ministry of Petroleum, Ministry of Industries and Mines, Ministry of Agriculture, Ministry of Roads and Housing, Ministry of Health, Deputy for Planning, Supervision and Control under the President's Office, Iran's Meteorological Organization (IRIMO) and the National Statistical Center. These data sets are also compiled and stored in the CCCDB.
- b. Each relevant ministry or organization will provide the requested data by the working groups appointed by the NCCO through an office designated/established by that ministry or organization. NCCO will be responsible for data management. However, the accuracy and correctness of data will be the responsibility of the data provider.

#### *B.1-7 Identification of priority areas,*

The most important areas of concern by the national stakeholders were vulnerability and adaptation as the first priority followed by mitigation. Other areas with priorities include: awareness of policy and decision makers, implementation of climate change rules of procedure and enhancement of climate change legislation; capacity building, GHG inventory; technology needs and climate change monitoring systems, respectively.

#### *B.1-8 Timing of the project,*

Since the SNC will be submitted to UNFCCC in October 2011, in order to keep the continuity of the process of NCs, it was decided that the TNC inception activities ( i.e. preparing TORs for NPM, PA and working groups, hiring NPM, PA and working group team leaders and organizing the inception workshop) will continue during the TNC Project Proposal approval by national bodies such as the Steering Committee and the GEF National Focal point. The duration of TNC project activities will be 4 years according to the Workplan provided in this document.

#### *B.1-8 Decision on the base year for statistics and inventory data,*

After extensive discussions during stakeholder consultations, it was decided to use 2010 as the base year for the GHG inventory. However, for mitigation and V&A assessments time series of data for the past years will be used including 1994 (the base year for GHG inventory of INC) and 2000 (the base year for GHG inventory of SNC). For mitigation assessment the year 2025 will be used as was the case for the SNC. For climate change modeling and V&A assessment different time horizons through 2100 will be used.

#### *B.1-9 New and additional members of SC,*

During stakeholder consultations it was decided to expand the SC to include the following organizations:

- Statistical Center of Iran
- Municipality Organization
- National Disaster Management Organization
- Center for Strategic Research of the Expediency Discernment Council
- Majlis (Parliament) Research Center
- Energy and Environment Commission of the Parliament



**Table A.1: Summary of stocktaking and stakeholder consultations**

| <b>Institutions / stakeholders consulted</b>                  | <b>Stakeholder interests and mandate</b>   | <b>Reasons for inclusion</b>  | <b>Role in self-assessment process</b>  |
|---|--|---|---|
| Ministry of Energy  | Policy making on energy and water issues, electricity generation, transmission and distribution, renewable energies, energy conservation as well as water supply and resources | Role of power plants in GHG emissions; hydropower production and water resources management   | Consultation on current and future programmes; Data provider  |
| Ministry of Petroleum   | Oversees oil, gas and petrochemical industries. The main fossil fuel producer for domestic uses and export   | Role of the oil and gas sector in Iran's economy and GHG emissions.   | Consultation on current and future programmes; Data provider.   |
| Ministry of Foreign Affairs                                   | Responsible for foreign policies and international conventions. GEF Operational and Political Focal Point  | Key role in managing international relations  | Consultation on matters related to commitments under the UNFCCC   |
| Ministry of Industries, Mines and Trade                       | Oversees all industries (with the exception of the energy sector) and emissions from industries and motor vehicles   | Mainstreaming of CC policies into industrial development and trade policies.  | Consultation on impact of industrial development programmes on future emission and mitigation Plans; Data provider          |
| Ministry of Interior  | Responsible for urban transportation through the municipalities which are under the supervision of the Ministry of Interior  | Mainstreaming of CC into local government policies. Responsible for disaster management.  | Consultation on land use change, solid waste management, climate change impacts and vulnerability assessment. Data provider |
| Ministry of Agriculture                                       | Oversees agriculture, rangelands and forestry sectors  | Assessment of the vulnerability of the agricultural sector to climate change and implementation of adaptation strategies and measures                 | Consultation on food security, sustainable development and climate change impacts; Data provider.                           |
| Meteorological Organization                                   | Provider of national meteorological information  | Monitoring of climate change and its impacts  | Consultation on science of climate change, climate change observation and impact assessment; Data provider.                 |
| Presidential Deputy for Planning and Strategic Control (SPAC) | Formulation of national development plans and budgets  | Incorporation of climate change policies into national development plans  | Consultation on overall development planning; Provider of statistical data through National Statistical Center.             |
| Ministry of Economic Affairs and Finance                      | Oversees economic policies and finance   | Assessing the impact of response measures and economic planning for climate change impact   | Consultation on the national economic policies; Data provider   |
| Ministry of Roads and Urban Development                       | Oversees housing and urban planning; Oversees infrastructure and transport planning  | Assessing the impact of land use change on climate change. Energy savings in buildings and transport sectors. Mitigation Policies in transport sector | Consultation on land use change; consultation on transport sector development policy and data provider.                     |
| Ministry of Health  | Responsible for Public health  | Climate Change impacts on human health  | Consultation on climate-related diseases  |
| Ministry of Science, Research and Technology                  | Responsible for Higher Education   | Role with regard to research and education on climate change  | Consultation on status of the climate change research and education, policies and programmes                                |
| Iranian National  | Responsible for research on  | Role in determining   | Consultation on integrated coastal zone   |

- The inventory of waste sector will be prepared through collaboration of the Ministry of Interior (Municipalities) and the Ministry of Energy (Waste Management sector and /or academia),

#### *B.2-3 GHGs mitigation*

This task is the responsibility of all sectors and it will be carried out by academic or research institutions (yet to be determined) through collaboration of all stakeholders. An attempt will be made by the NCCO to build upon the experiences gained during the INC and SNC implementation and to use the roster of experts in this field.

#### *B.2-4 V&A assessment,*

This task is also the responsibility of all sectors and it will be carried out by academic or research institutions (to be determined) by collaboration of all stakeholders. Attempts will be made by the NCCO to build upon the experiences gained during INC and SNC and to use the roster of experts in this field. However, V&A assessment for coastal areas will also be coordinated with the Deputy Head for Human Environment of the DOE, and V&A assessment for wetlands, desertification and biodiversity will also be coordinated with the Deputy Head for Natural Environment of the DOE.

#### *B.2-5 Other information including:*

*B.2-5.1 Research, education and public awareness (Ministry of Science, Research and Technology, Academia, Ministry of Education, Deputy Head of DOE for Education and Research)*

*B.2-5.2 Climate change observation systems (WMO, Space Agency, Academia, Ministry of Agriculture, Ministry of Energy, National Oceanography Center)*

*B.2-5.3 Technology needs assessment (All relevant ministries),*

*B.2-5.4 Synergies with other relevant international conventions (biodiversity, desertification, ozone layer, wetlands, etc.). This task will be carried out through collaboration of the national focal points of each convention.*

*B.2-5.5 Constraints and gaps (to be identified by all project working groups and the SC),*

*B.2-5.6 List of NAPs and NAMAs (to be identified by the adaptation and mitigation working groups) and approved by the SC and the NCCC.*

#### *B.2-6 Mainstreaming with National Development Plan and National Action Plan*

This task is the responsibility of the SC and NCCC.



## **Appendix B: Technical components of the project proposal**

### ***1. Background/Context***

Along with more than 150 Nations, the Islamic Republic of Iran signed the United Nations Framework Convention on Climate Change (UNFCCC) in June 1992 in the Earth Summit held in Rio de Janeiro. Iran ratified the Convention in July 1996, thus becoming an official UNFCCC member.

Iran's Initial National Communication (INC) was officially submitted to the UNFCCC in March 2003. The Second National Communication (SNC) of Iran has been finalized and ready for submission to UNFCCC. It is anticipated that submission will be in October 2011. Iran is now in a position to prepare its Third National Communication (TNC) based on decision 17/CP.8 of the COP and the new GEF Operational Procedures. This project will implement requisite activities to enable Iran to prepare its TNC in accordance with Articles 4 and 12 of the UNFCCC. The project document has been prepared based on past experiences in implementation of INC and SNC, as well as the stocktaking and stakeholder consultations, a brief report of which is presented in *Appendix A* of this document.

Iran has developed its Fifth Year National Socio-Economic Development Plan (FYNDP), which has started implementation in 2011. During implementation of the SNC Enabling Activity, several activities were undertaken as described in the "Situation Analysis" and "Strategy" of this document, which led to development of the National Rules of Procedure (Regulation) for implementation of UNFCCC and the Kyoto Protocol. However, the institutional arrangements and the required capacity have not been fully developed yet. It would therefore be timely and appropriate to use the TNC activities to mainstream climate change into the official national development plans which are highly impacted by climate change. Furthermore, value added of the TNC is based on the following premises:

- a) The national circumstances reported in the INC and SNC were rather generic and not prepared with a climate change perspective in mind. It is important to assess national circumstances in the context of the fifth five-year national development plan and subsequent plans.
- b) A climate change policy dialogue process, involving governmental, non-governmental, academic, business and other relevant organizations was embarked upon and strengthened to foster understanding of climate change issues and linkages among a wide range of stakeholders (Appendix A). Implementation of the TNC will sustain and strengthen this process.
- c) During the preparation of the INC and its top-up and SNC, some capacities with regard to public awareness, scientific research and expertise were developed at the national level. However, many areas that are included in this document need to be improved and studied further.
- d) Iran is a developing country which is highly vulnerable to climate change and possesses great potential to mitigate GHGs. Thus, the TNC will assist and enable Iran to develop its NAPA and NAMA programmes along with the financial and technological needs.

### ***2. Project Objectives***

#### **Development Objectives:**

The project will strengthen technical and institutional capacities to assist the Islamic Republic of Iran to mainstream climate change concerns into sectoral and national development priorities. The project will also strengthen the capacity of Iran to contribute to the on-going international efforts to mitigate and adapt to climate

| <b>Institutions / stakeholders consulted</b>  | <b>Stakeholder interests and mandate</b>  | <b>Reasons for inclusion</b>   | <b>Role in self-assessment process</b>                                    |
|---|---|--|---|
| Institute for Oceanography                    | coastal zones and oceanography  | impacts of climate change on coastal zones                           | management and data provider  |
| Iranian Non-governmental Organizations (NGOs) | Environmental protection and catalyzing environmental policies into public policies | Role in public awareness on climate change mitigation and adaptation | Consultation on climate change education and awareness raising for public |

**Table A.2: The Date and number of participants in Stakeholder consultation meetings**

| <b>Items</b> | <b>Meeting agenda</b>   | <b>Date</b>       | <b>Number of participants</b> |
|--------------|---|-------------------|-------------------------------|
| 1            | Inception meeting for stakeholders consultation on TNC  | 2 February, 2011  | 22                            |
| 2            | Presenting the work carried out under INC and SNC and identification of new areas of activities for TNC | 21 February, 2011 | 23                            |
| 3            | Consultation on TNC management, institutional arrangements and TORs for the working groups              | 6 March, 2011     | 21                            |
| 4            | Consultation on integration of National Communications outcomes into National Development Plans         | 16 April, 2011    | 25                            |
| 5            | Consultation on TNC Draft Project Proposal  | 15 June, 2011     | 22                            |



#### 4.1. Greenhouse gas inventory

In accordance with Article 4, Paragraph 1 (a), and Article 12, paragraph 1(a) of the Convention, Iran as a party to the Convention, has already submitted its INC and SNC, in which the national GHG inventory has been estimated for the years 1994 and 2000, respectively. However, due to the rapid growth of energy production and consumption since 1994 and implementation of the Third and Fourth National Development Plans (2000-2010), substantial changes in activity data and GHG inventory has resulted. Moreover, the following shortcomings detract from the GHG inventory as presented per the INC/SNC:

- Gas flaring is a major source of GHG emissions in Iran and there still exists great uncertainty in gas flaring activity data and emission factors in oil production and processing. However, since preparation of the INC and the SNC a number of studies on gas flaring in oil and gas industries have been carried out with the objective to obtain more accurate activity data and emission factors for planning and design of flare reduction facilities. Such studies will be reviewed to obtain more reliable data on flare efficiency and emission factors.
- Great uncertainty in land use change and forestry data requires improvement of the data set as a result of access to new satellite information. Ministry of Agriculture and the Forestry, Rangelands and Watershed Organization along with the Remote Sensing Organization will contribute to obtain reliable and more accurate data that will reflect land use change, emissions from burning agricultural residues and uptake of CO<sub>2</sub> by agricultural lands and carbon sequestration by halophytes.
- Uncertainty in waste generation data and disposal methods. Although this issue was addressed as per the SNC, population growth along with rapid changes in solid and liquid management system has resulted in significant changes in activity data and emission factors in this sector which need to be addressed in the context of the TNC.
- Absence of national emission factors in all sectors with higher uncertainties in the non-energy sectors due to specific local conditions was the reason for using the IPCC default emission factors or using emission factors from similar countries in most sectors during preparation of the INC and the SNC. As regards the TNC, however, a survey on the recent studies on national emission factors will be carried out to ensure that such emission factors are indeed available and make sure that they are reliable and justified.
- Energy pricing policies. The energy pricing reform of 2010 has had great influence on consumption of fuels and other energy sources. Attempts will be made to study the effect of the pricing policies on the activity data in all sectors.
- The transport sector requires complete revision due to a change of fuel-mix, rapid increase in the number of vehicles and enforcement of new standards.
- Emissions resulting from residential and commercial sectors require complete revision due to the substitution of liquid fuels by natural gas, pricing policies and the newly developed building standards.
- Emissions due to power generation require re-evaluation as a result of new combined cycle and hydro power plants coming on stream and fuel substitution by natural gas.
- Fugitive emissions from natural gas pipelines and other oil and gas activities will be addressed. In addition, emission from use of solvents based on the SNC figures will be updated .
- Due to the substitution of the Ozone Depletion Substances under the Montreal Protocol, improvement in the activity data of HFCs and PFCs is expected since the juncture of INC and SNC preparation.

To prepare the TNC, an updated inventory of greenhouse gases will be prepared on the basis of the year 2010 activity data, and the 1996 IPCC Revised Guidelines and Decision 17/CP.8 of the COP. Where possible, the IPCC Good Practice Guidelines and Uncertainty Management will also be used. Key source analysis will also be carried out. Therefore, it is expected to improve transparency, consistency, comparability, completeness and

change and to analyze the opportunities and challenges that new initiatives and commitments entail at the national level.

### **Immediate Objectives:**

The project will enable the Islamic Republic of Iran to prepare and submit its TNC to the UNFCCC as an obligation under the Convention and to ensure sustainability of the national communication process through capacity building and establishment of an appropriate institutional framework.

### ***3. Project Strategy***

Based on experiences gained during preparation of the INC and SNC, the following strategies will be pursued in order to achieve project objectives:

- As part of an overall CC National Communication Strategy, enhance general awareness and knowledge on CC-related issues in Iran;
- Build national capacity to incorporate climate change into national planning and strategy formulations;
- Strengthen institutional arrangements, enhance human resources, facilitate information exchange and cooperation among relevant stakeholders including governmental, non-governmental, academia and private sector by providing easy access to and exchange of climate change information through the Internet which is a component of the National Communication Strategy;
- Prepare national programs for adaptation to climate change (NAPs) with an estimate of the economic impacts of climate change, provided that sufficient financial and technical support by the Government becomes available;
- Prepare national programs for greenhouse gas abatement and transfer (NAMAs), provided that sufficient financial and technical support by the Government becomes available;
- Analyze and assess the adverse effects of response measures on the Iranian economy;
- Develop educational and research programs at various levels;
- Study the relationship between abatement strategies and attainment of national sustainable development goals;
- Implement cross-cutting activities relevant to climate change and synergies with other national programs and other international conventions;

### ***4. Project activities***

4.1. National greenhouse gas inventory

4.2. Programmes containing measures to facilitate adequate adaptation to climate change

4.3. Programmes containing measures to mitigate climate change

4.4. Other relevant information to achieve Convention's objective

- National circumstances
- Steps Taken to Integrate Climate Change into National Development Programs
- Technology Needs Assessment
- Climate Change Research and Systematic Observation
- Research, Education and Public Awareness
- Information and Networking
- Constraints, gaps, and related financial, technical and capacity needs.



A preliminary assessment of adaptation measures was also carried out and reported as per the INC and the SNC. However, due to insufficient information and lack of institutional coordination, these studies were not of an adequate scope and detail to be used for policy making and planning. With improved institutional arrangements and increased interest of different stakeholders, in particular water management, agriculture and forestry and human health sectors, more detailed studies are expected to be carried out during the preparation of the TNC. These tasks should be carried out by close collaboration of the relevant ministries and organizations. Of particular importance would be to obtain a reliable estimate of the cost of climate change impacts and adaptation measures in a more quantitative manner. In addition, attempts will be made to streamline such activities with the official development plans.

The "IPCC Technical Guidelines for Assessing Climate Change Impact and Adaptation", the "UNEP Handbook on Methods for Climate Change Impact Assessment and Adaptation Strategies", the "International Handbook on Vulnerability and Adaptation Assessments" and "UNDP/GEF Guidebook on Adaptation Policy Framework" will be used as the methodological basis to prepare the TNC. In addition, models for V&A studies in agriculture, water resources, desertification, LEAP, WEAP, etc. will be acquired and attempts will be made to run such models based on new data during the TNC implementation. The choice of methods and tools for vulnerability and adaptation assessment, which include qualitative and predictive models, empirical studies, expert judgment and decision support tools, depends on national circumstances as well as the focus area and scope of the assessment.

The currently planned national programs, particularly those in the Fifth National Socio-economic Development Plan which started in early 2011, with special emphasis on sustainable development and environmental concerns will be reviewed and those subject related to climate change will be identified and critically assessed. These sectors include, programmes dealing with agriculture and land degradation (deforestation and desertification) as well as those dealing with natural disasters such as droughts, floods and earthquakes; water resources management, human health and coastal zones management. Of significance would be the effect of climate change and climate variability on biodiversity and desertification, which have received special attention in recent years. The studies carried out under the relevant UN Conventions in these areas will be reviewed and collaboration with the relevant expert groups established. The objective will be to find the relationship between these programs and those activities and measures that could be undertaken for adaptation to climate change. In addressing these issues, financial, technical, institutional, data and human resources assessments will be undertaken. Where possible, regional programs will be taken into account. Attempts will be made to include in the TNC, updated information in relation to the following:

- Climate-related disasters and response capacities;
- Population, food security and agriculture;
- Urbanization, housing and water resources;
- Climate change and health;
- Environmental problems such as urban and industrial air pollution, wastewater and waste management, coastal erosion, reef exploitation and conservation, and their links to climate and socio-economic conditions;
- Financial services, insurance and associated economic services available for the management of climate risks.

However, due to time and funding constraints, priority will be given to the impact of climate change on water resources, agriculture and desertification.

Impacts, vulnerabilities and adaptation to climate change in various sectors will be presented in matrix form showing different sectors, climate change impacts and adaptation options. Sectors may include: agriculture,



accuracy in inventories of TNC. As with the inventory reported for the INC and SNC, in addition to CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O, where possible, information on HFCs, PFCs, SF<sub>6</sub>, and indirect GHGs such as CO, NO<sub>x</sub>, NMVOCs and SO<sub>x</sub> will also be provided.

The preparation of cost-effective programs to develop country-specific emission factors and arrangements to collect and archive activity data on a consistent and continuous basis will be undertaken. Attempts will be made to involve the NCCWG in official development of the inventory data. Although The NCCO has already prepared special electronic and printed forms for collection of activity data during INC and SNC implementation, the process of preparing GHG inventory is not based on an established routine yet. During TNC implementation, it is planned to design a network of GHG statistical data collection system with participation of all ministries and organizations including: the National Statistical Center, Ministries of Petroleum, Energy, Agriculture, Industries and Mines, Roads and Transportation and the Interior (for the latter in conjunction with municipalities). Special emphasis will be on documentation of data sources and references, which was a major source of uncertainty during the preparation of the INC and SNC. The objective is to establish a national GHG management system under the responsibility of the NCCO of DOE with participation of relevant organizations.

To the extent possible, *sectoral* and *reference approaches* will also be used. Attempts will be made to use higher tier IPCC methods in calculating the GHG emissions from fuel combustion based on the fuel/technology (Device Emission Factor) used. An analysis of the trend of GHG emissions in Iran will also be carried out in the context of TNC implementation for the period 1994-2010 and future trends will be estimated for mitigation purposes. All relevant information to GHG inventory will be reported in tabular and graphical forms.

#### **4.2. Programmes containing measures to facilitate adequate adaptation to climate change**

As mentioned above, according to Article 4.8, paragraphs c, d, e, f, g and h and Article 4.10 of the Convention, Iran is highly vulnerable to adverse effects of climate change. In preparing the INC and the SNC, an assessment on the adverse impacts of climate change on Iran was carried out and preliminary adaptation measures (V&A) were proposed. The V&A assessment was based on the study of climate variability and change in Iran using historical meteorological, hydrological and terrestrial data. We experienced uncertainties and gaps in the data, shortage of human resources to carry out such studies and the availability and accessibility of the required software and hardware which resulted in rather limited modeling results. This activity is to be pursued during TNC implementation to build more confidence in the climate modeling results.

During the INC and the SNC, V&A studies focused on the following seven sectors:

- Water resources;
- Agricultural products, livestock and fisheries;
- Forestry;
- Coastal zones;
- Human health;
- Biodiversity;
- Impact of response measures-economic impact due to the energy market.

In addition to the quantitative updating to the above V&A areas, the following new areas will be covered under the TNC implementation with the objective of studying the synergies with other international environmental conventions:

- Desertification and climate change;
- Ozone layer and climate change



- Improvement of public transportation systems;
- Establishment of new codes and standards for construction of residential and commercial buildings;
- Energy conservation in industries;
- Establishment of new codes and standards for energy intensive industries;
- Implementation of several hydropower facilities and combined cycle power plants;
- Initiatives and incentives to increase the role of renewable energies;
- Expansion of natural gas network; and
- Rapid increase in fuel consumption in the transport sector.

These measures have all caused significant changes in GHG emissions over the past ten years, thus requiring a reevaluation of the mitigation scenarios. Hence, it will be necessary to study the impacts of such measures on GHGs emission by modifying the aforementioned scenarios in the context of implementing the TNC and providing an updated report.

Although, the preliminary mitigation scenarios were to some extent consistent with the country's development plans, the level of uncertainties in activity data and the accuracy of information were relatively high. In addition, at the time of preparing the INC and the SNC, the government did not have a national climate change plan and thus other programs such as the energy efficiency and energy conservation programs, alternative energy programs (notably substitution of liquid fuels by natural gas), afforestation and other environmental programs provided the bases for GHG emission estimation. Moreover, the analysis was carried out in a top-down manner since the required information for a bottom-up analysis was not available. Under the TNC, attempts will be made to estimate mitigation projections using the bottom-up and project based approach, so that a list of viable projects for GHG mitigation can be prepared and reported.

Although, as a Non-Annex I developing country, Iran is not committed to mitigate climate change and reduce GHG emissions, the country has implemented/is currently implementing several environmental programs that provide ancillary benefits for climate change. These include: energy conservation and energy efficiency programs in all sectors, renewable energies, gas flaring projects, waste management, air pollution control and afforestation. A study (Energy/Environment Review 2004) by the World Bank with the close collaboration of the DOE, produced cost estimations of different mitigation options based on the best available information. However, due to time and information constraints under the aforementioned project, these cost estimates must be reevaluated with more accuracy and be aligned with the estimates that were used in the development of the Fourth and Fifth National Development Plans. Such study needs to be updated in the TNC to yield more realistic emission scenarios and an estimation of associated costs for GHG emissions in energy, industrial processes, agriculture, land use, forestry and waste sectors. To undertake this task, a reliable system for collection of activity data on a continuous and systematic basis is required that will be developed during the preparation of the TNC as described above. In addition, the expertise for development of top-down and bottom-up approaches must be enhanced and improved. Special attention must be paid to the synergies between current and future national development plans and the climate change objectives. Mitigation analyses leading to NAMAs will also help integrate climate change objectives in the national development plans.

#### **4.4. *Other information to achieve the objectives of the Convention***

##### **General**

The following steps taken during the preparation of the INC and the SNC, are envisaged to be adopted during the preparation of the TNC:



health, water resources, coastal resources, terrestrial and marine ecosystems, human settlement, infrastructure, industry and energy sectors. Prioritization of more important sectors and adaptation strategies depends on socio-economic and political circumstances and/or cultural acceptance.

Finally, as an oil producing and exporting country, it is imperative for Iran to have a full and comprehensive assessment of the impacts of response measures by Annex I Parties. Such an assessment brings awareness to the socio-economic development of the country and Iran's options to diversify its economy and future development scenarios.

The development of national adaptation programs (NAPA) is an important output of the TNC project, which was partially achieved during the SNC implementation.

#### **4.3. Programmes containing measures to mitigate climate change**

Recent international negotiations under UNFCCC are moving towards enhanced global efforts for mitigation of climate change provided that financial and technological resources become available to developing countries. With this in mind, nationally appropriate mitigation action (NAMA) was initiated under the Bali Action Plan at COP13 and further developed at subsequent COPs. Thus further to mitigation analyses that were carried out during INC and SNC implementation, TNC will attempt to develop Iran's NAMA. Development of the NAMA will be in line with the work program of the NCCC in developing the national mitigation program.

A preliminary mitigation analysis was carried out during the preparation of the INC based on very limited information and data resources, skilled manpower as well as inadequate institutional coordination. The analysis was based on the 1994 GHG inventory data and three scenarios, namely: (1) the *baseline scenario*, which assumed that the emission of GHGs will continue to increase as per the present trend and without any mitigation action; (2) *mitigation scenario including gas flaring mitigation*, proposed by the experts of the NCCO, which assumed that the government is capable of implementing the proposed measures including prevention of flare gases; and (3) *mitigation scenario where gas flaring mitigation projects will not be implemented*, which again assumed that the government can implement the proposed mitigation options, but will not be able to implement gas flaring projects. Accordingly, the GHG emissions were projected to the year 2010 based on the 1994 base-year. Under the SNC, three scenarios were studied, namely: *business-as-usual (BAU)*, *official development plan (ODP)* and *mitigation scenario (MS)*, where GHGs emissions were estimated through to 2025. Although this analysis was based on a rather realistic projection of GHG emissions in implementation of the development plans, nevertheless, no detailed information was available on implementation of the mitigation actions. It is expected that the TNC can undertake the detailed analysis of mitigation actions that were proposed under the SNC, especially a cost-benefit study of mitigation actions. This is especially true considering many new and recent developments in the energy sector including pricing policies.

In recent years and during the preparation of the INC and the SNC, extensive programs have been carried out to remove subsidies and increase energy efficiency and energy conservation in various sectors of the economy leading to GHG mitigation. These include the following:

- Energy pricing policy reform of 2010 which has created great incentive for development of energy efficiency programs and projects throughout the economic activities and will reduce greenhouse gas emissions and air pollutants
- ;
- Several large scale projects by the Ministry of Petroleum to prevent gas flaring;
- Substitution of natural gas for liquid fuels in power plants, industries and commercial and residential buildings;
- Upgraded standards for transportation fuels and vehicles;



will be assessed and approaches to enhance this capacity will be presented. Development priorities and national programs with regard to important sectors such as energy, water resources, agriculture and forestry, as well as the inter-relationship between climate change objectives and current and planned programs in the energy sector, in particular within the oil and gas industries, will receive special attention. Recent programmes in energy pricing, alternative energies and energy conservation will be reviewed in the context of climate change objectives. National programs with regard to adaptation policies and the impact of response measures will be emphasized carefully. Compared with the INC and SNC, attempts will be made to more closely link national circumstances and other chapters of the report addressing: inventory, mitigation, adaptation, transfer of technology, capacity building, research and systematic observation, education, training and public awareness, etc.

According to Article 4.8, paragraphs c, d, e, f, g and h and Article 4.10 of the Convention, Iran is highly vulnerable to both physical impacts of climate change as well as to the adverse effects of response measures. The national circumstances should be thoroughly reviewed in relation to the aforementioned vulnerable areas with the full engagement of different stakeholders. Of particular importance would be the involvement of the energy, agriculture, forestry, water resources, and environmental sectors as well as the oil dependent sectors of the economy. The national circumstances in these sectors must be studied in greater details when addressing climate change objectives.

The tabular and graphical data provided in the INC/SNC will be updated and expanded to include more relevant information. Although during the preparation of the INC and the SNC, an institutional arrangement was established, an improved institutional framework will be proposed during the preparation of the TNC, where additional stakeholders will be engaged.

### **Steps Taken to Integrate Climate Change into National Development Programs**

Although a few preliminary proposals were earlier developed in preparation of the INC and further developed during preparation of the SNC, these proposals, however, have not been fully integrated in the Fifth National Development Plan. The main reason for this was the lack of a legal framework. It is expected that with the approval of the National Rules of Procedure for Implementation of the UNFCCC and the Kyoto Protocol in 2009, during preparation of the TNC, integration with national development plans could be achieved. There are nevertheless many aspects of the national development plans that are consistent with climate change objectives, but not yet fully addressed. These are mostly based on the national sustainable development programs. However, in preparing the TNC, attempts will be made to address climate change at the national level as per the following areas:

- Complete review of national development plans to see how the climate change objectives can be integrated into such plans, without any adverse effect on sustainable development and poverty reduction;
- An assessment of technology transfer in achieving climate change objectives and promotion of sustainable development, where environmental concerns are factored in;
- The national capacity for climate change research and systematic observation is at a preliminary stage. Thus far, there is no national program in this regard, although some progress has been made during preparation of the INC and the SNC. Much work is needed during the preparation of the TNC in order to prepare a national program;
- Mitigation measures proposed in the INC and the SNC are to be reviewed in the context of NAMAs during the TNC through close collaboration with relevant stakeholders with the objective of integration of climate change policies into national development plans;
- An update of vulnerability assessment along with adaptation measures proposed under the INC and the SNC are to be transformed to NAPAs during TNC through close collaboration with relevant



- A system for estimation of greenhouse gases has been established but needs to be implemented on a continuous and systematic basis and by the relevant institutions. TNC is intended to be the transitional stage to achieve this objective.
- A preliminary assessment of potential climate change mitigation policies has been carried out during the preparation of the the INC and the SNC by different approaches as described above. However, synergies with other environmental and national development programs, particularly those relating to energy, agricultural, forestry and desertification programmes are to be studied in more detail with the final objective of preparing NAMAs which would be streamlined with the official development plans.
- A preliminary assessment of Iran's vulnerability to climate change and adaptation policies were carried out during the preparation of the INC and the SNC. However, much work is needed to assess impacts and develop appropriate policies to address climate change in the national development plans with the final objective of preparing NAPAs which would be streamlined with the official development plans.
- Strategies to address climate change as a preliminary national action plan were proposed for climate change and reported under the INC and the SNC. In preparation of these strategies, however, the development priorities of the country were not fully taken into account. Moreover, as no quantified measures have yet been proposed, it is important to give special attention to this important issue, particularly to vulnerability assessment during the preparation of the TNC.
- During implementation of the INC and the SNC, some capacity at national level was developed which included: (a) public awareness through workshops, setting up the national climate change website and relevant publications; (b) educational and research activities at universities and research institutions; (c) training of experts at various ministries and organizations and at the provincial level through workshops and other studies carried out by the NCCO. These activities must be pursued to a much greater extent during the preparation of the TNC to include development of formal educational programs at various levels, more involvement of universities in research programs, and more engagement of NGOs.
- In implementing the top-up phase of the INC and the SNC, a preliminary assessment of technology needs for climate change mitigation was carried out. The assessment demonstrated that there are many areas in different sectors that need to be studied in more detail and in a more quantitative manner. In order for Iran to prepare for international collaboration on CC-related technology transfer, this area ought to be studied in more depth during the preparation of the TNC with emphasis on prioritization of technologies, capacity building needs and modalities to acquire/transfer the requisite technologies. Furthermore, hitherto, no studies have been undertaken to assess technologies for adaptation. This must be pursued in implementing the TNC.
- As regards systematic observation, during the top-up Phase of the INC, Iran has already carried out a study to participate in GCOS (Global Climate Observation System) - this was reported under the SNC. However, the results of the study show that more work is needed to develop a national climate change observation program and network. Technical, financial and institutional difficulties and weaknesses exist in all areas of observation including atmospheric, terrestrial, satellite, water resources and coastal zones observations which should be addressed during the TNC implementation.
- At present, the system for information exchange and networking is inadequate. It is envisaged that the TNC will address this shortcoming. Upgrading the NCCO's website and the link to other national relevant workshops is to be pursued.

### *National circumstances*

The national circumstances that were reported in the INC and the SNC will be updated in relation to recent developments and initiatives that the Government has undertaken as described above. In particular, the national capacity to implement the new climate change regulations during the 5<sup>th</sup> Five-Year National Development Plan



- Water resources observation
- Satellite observation

The findings of the study point to serious weaknesses and deficiencies in almost all areas related to climate change monitoring and observation. These difficulties include: lack of sufficient monitoring equipments, lack of information sharing and networking, insufficient observation coverage especially in terrestrial, satellite and coastal observations, lack of a national program for monitoring and observation and lack of skilled experts. It is thus imperative that special attention be paid to the design of a national program in the context of implementing the TNC. It is also important that regional and global programs be prepared for systematic observation.

### **Education and Research Programs**

During preparation of the SNC, a rather comprehensive survey was carried out on the status of climate education and research in Iran, a summary of which was reported as per the SNC. The study showed that although there are many universities and research institutions involved in education and research in various aspects of climate change, a unique and specific program on climate change still does not exist formally. Hence the need for a formal educational and research program to be designed and made available at the national level. Such programs should be designed by universities and relevant research institutions and approved by the Ministry of Science, Research and Technology.

### **Climate Change Training and Public Awareness**

In the course of preparing the INC and the SNC, several workshops were held to train experts who were involved in project implementation. These included inception, inventory, and mitigation & vulnerability workshops, as well as a final workshop. In addition, several expert meetings were held on various aspects of the project. Seminars and workshops were also arranged for NGOs as well as for provincial experts and held at a number of provinces. A national climate change bilingual web site (please see section below on “*Information and Networking*”), which is linked to the UNFCCC web site, was designed during the preparation of INC which was further enhanced during the SNC implementation. Nevertheless, to implement Article 6 of the Convention, much work is needed to enhance education, training and public awareness at the national level. Further work may include the following:

- Setting-up an institutional arrangement comprising the Ministry of Science, Research & Technology and universities for the development of educational programs;
- Developing educational programs for school children by the Ministry of Education and the involvement of news media and NGOs for public awareness;
- Evaluating awareness levels and understanding of climate change issues by the public, experts and policy makers;
- Designing an institutional framework for public participation and access to information;
- Promoting education, training and public awareness at the national, sub-regional, regional and international levels to identify gaps and needs.

### **Capacity Building**

Since Iran’s ratification of the UNFCCC in 1996 and in the course of preparing the SNC, Iran has developed some capacity to enable it to implement the Convention and prepare for effective participation in the Kyoto Protocol process. This has been carried out through the development of the National Rules of Procedure for Implementation of the Convention and the Kyoto Protocol and the establishment of the DNA for implementation of CDM projects. However, in accordance with the framework for capacity-building as



stakeholders with the objective of integration of climate change policies into national development plans;

- Education, training and public awareness: At present, there are no formal educational programs specific to climate change at any educational level. During implementation of the INC and the SNC several workshops were held, publications disseminated including, and the national climate change web site upgraded. Attempts will be made to incorporate these objectives into the formal educational programs during preparation of the TNC;
- Thus far, good capacity at national level has been developed as per the joint government/UNDP-GEF Enabling Activity project. However, capacity building on all aspects of climate change is to be enhanced through involvement of national stakeholders. The level and quality of information sharing needs great improvement in order to enhance the national capacity to address climate change and to integrate it into the national development plans. Strategies to improve information sharing must be developed during the preparation of the TNC.

### **Technology Transfer**

A preliminary technology needs assessment (TNA) was carried out during Phase II of INC that was further elaborated and reported in the SNC. The TNA report in Phase II of INC contains a very brief account of the TNA for mitigation and adaptation to climate change for the following sectors. However, under the SNC, the adaptation technologies for all sectors and mitigation for non-energy sectors were not addressed. These sectors are listed as follows:

- The energy sector including power plants, energy efficiency and energy conservation projects, renewable energies, the transport sector, households and residential and commercial buildings;
- The petroleum and gas industries;
- The industrial processes;
- The agriculture sector and forestry;
- The waste sector.

The assessment in certain sectors such as agriculture and forestry was rudimentary due to lack of sufficient information and know how. In addition, in most cases, quantitative assessment of relevant technologies and the modalities to acquire them were not possible due to lack of information and expertise. Therefore, during the preparation of the TNC, these aspects will have to be strengthened and further studies undertaken. An approach to surmount the information and expertise barriers is to involve the relevant stakeholders in reviewing the TNA that was prepared in SNC and request them to apply the study to their relevant activities.

Hitherto, no studies have been carried out to assess technologies required for adaptation to climate change. This task should be taken up in the preparation of the TNC. An attempt will be made to develop the capacity of relevant stakeholders and organizations to carry out such technology needs assessment within their own organizations under the auspices of the NCCO and by using the *UNFCCC Technical Paper (FCCC/TP/2003/2)* and the IPCC Special Report on "*Methodological and Technological Issues in Technology Transfer*".

### **Climate Change Research and Systematic Observation**

The status of climate change observation systems in Iran was surveyed during Phase II of the INC and was further elaborated and reported in the context of the SNC, which comprised of the following sectors:

- Meteorological and atmospheric observation
- Terrestrial observation
- Coastal zones and oceanographic observation



to develop CDM projects by the national experts. In addition, there are some legal constraints for implementation of CDM projects which should be resolved. Training workshops for CDM project development can be useful in this regard.

- *Education, training and public awareness:* In order to streamline climate change into the national development plans, it is imperative to enhance the law makers and policy maker's awareness through provision of relevant information on the impact of climate change and its effects on national economy.
- *Capacity building on information and networking:* This is an important element of capacity building and much effort must be spared in the course of implementing the TNC.

### ***Information and Networking***

The NCCO has developed a national web site: [www.climate-change.ir](http://www.climate-change.ir), which contains all available information and provides links to all relevant international web sites including UNFCCC, IPCC, IEA, WMO, etc. In addition, the NCCO has dispatched more than 1000 soft and hard copies of the INC and will dispatch the same numbers of the SNC to various stakeholders at the national level and certain international organizations such as the UNFCCC, UNDP and the GEF. However, during preparation of the TNC it is intended to expand the network to include the data base for GHG inventory (activity data and emission factors), data and projects relevant to mitigation, data and relevant to vulnerability and adaptation, information on climate change education and research and information on climate change observation systems. This will become possible if all climate change-related stakeholders can establish a focal point for coordination with the NCCO. Thus far, a few organizations have appointed a focal point but these individuals and their peers are not yet sufficiently active. At presently, lack of information and networking is a major constraint for coordination of climate change activities at the national level; a task which should be undertaken during the preparation of the TNC.

### ***Constraints, gaps, and related financial, technical and capacity needs***

In the previous sections on national circumstances, inventory, vulnerability and adaptation, and mitigation analyses, several areas that need improvement were identified and described. These are summarized as follows:

- Weak institutional arrangements;
- Inadequate information sharing and networking system;
- Lack of sufficient expertise;
- Lack of reliable activity data on a continuous basis and emission factors;
- Financial and technical constraints for implementing adaptation and mitigation policies; and
- Inadequate training courses and material for Iranian experts.

The financial and technical resources available for preparation of the TNC are limited to the GEF funding and the contributions of the Department of the Environment. Clearly, to undertake all of the above tasks further financial and technical resources from the relevant ministries or organizations are required. Past experience of climate change activities in the country are a testament to the rather difficult implementation environment of the project. The main financial and technical constraints relate to the implementation of the adaptation and mitigation policies. At present, due to other national development priorities, there are limited financial and technical capacities at the national level to address climate change. Hence, the need for greater financial and technical assistance from international resources.

As per the TNA, a number of technical and financial gaps/constraints were identified as a barrier to future implementation of mitigation policies. These included lack of information for assessment of technology needs, insufficient expertise for technical and economic evaluation of CDM projects, etc. These gaps will be summarized and highlighted in implementing the TNC. In addition, the study on systematic observation



annexed to decision 2/CP.7, the country's capacity for implementation of the Convention is to be further developed, strengthened, enhanced, and improved based on the following dimensions:

- *Institutional arrangements:* Attempts should be made to fully implement the Rules of Procedure as mentioned above by strengthening the institutional arrangement at all government levels. So far such institutional arrangements are not available, despite establishment of the NCCWG in 2009 and the continuation of activities of the Sub-committee on Climate Change under the National Sustainable Development Committee. The capacity at provincial level is even more limited. During the preparation of the TNC, the role of each stakeholder through the SC and the NCCWG must be clarified to ensure the proper implementation of the TNC. The NCCWG and the *National Climate Change Secretariat* under the auspices of the DOE are responsible for coordination of all climate change activities under the Convention at the national level. The DOE has a vested interest to enhance the capacity of Steering Committee members in better discharging their responsibilities as well as to encourage more engagement of scientists, individual experts and NGOs. Attempts will be made to engage each stakeholder based on its respective mandate on all aspects of TNC described in this document.
- *Greenhouse gas inventory:* As described above, during the preparation of the TNC, attempts will be made to establish a national climate change data base which includes activity data and emission factors. This data base is planned to be shared by a network of all stakeholders. The NCCO will establish a system for continuous collection and updating of activity data and emission factors. A link to the national climate change web site will also be made. At present, such a system is not available which has led to uncertainty and delays during the preparation of the INC and the SNC.
- *Vulnerability and adaptation (V&A):* At present, the national capacity for vulnerability and adaptation assessment is limited, although improvements were made during preparation of the SNC compared to INC. Establishment of requisite institutional arrangements, provision of the necessary data and information and training by using available tools and softwares will help enhance the national capacity for V&A assessment. During TNC implementation, national adaptation plans of action (NAPAs) covering all vulnerable areas described above will be developed and reported, noting that new areas such as desertification, biodiversity, ozone layer, human health, energy and industrial sectors as well as potential socio-economic consequences of climate change should receive more attention.
- *Mitigation:* Although at present a number of climate change mitigation policies have been mainstreamed into the national development programs, there are nevertheless many on-going development programs, which help mitigate global climate change. These include energy efficiency and conservation programs, renewable and alternative energies, natural gas as a substitute for liquid fuels, air pollution control programs, waste management programs, afforestation programs, etc. As part of the overall national capacity building drive, it is expected that different organizations can integrate such programs into a *nationally Appropriate Mitigation Actions (NAMAs)*.
- *Research and Systematic Observation:* Coordination of activities of the national climate change observation systems, acquisition and installation of the required hardware, training on operation and maintenance of the hardware for monitoring and the required softwares for data processing and networking are amongst the most important areas for capacity building. The greater involvement of universities and research institutions is also needed in climate change research and observation systems.
- *Transfer of Technology:* National capacity for technology transfer remains very limited with respect to the skilled experts, institutional arrangements, modalities and procedure, legal aspects and project finance and thus much work needs to be done to implement mitigation and adaptation projects. At present, no study has been carried out to undertake technology assessment for adaptation and this task should be undertaken during the preparation of the TNC.
- *Clean Development Mechanism:* At present Iran's share in the international CDM market is very limited and not proportional to its mitigation potential. The reason being the limited national capacity



**The National Project Manager:**

A full time National Project Manager (NPM) will be recruited and assigned by the DOE, after full consultation and coordination with the UNFCCC National Focal Point and endorsement of UNDP. The NPM will be recruited based on competitive and transparent selection and hiring procedures. The NPM should have the required experience, as well as technical, scientific and organizational skills. The NPM should have proven experience in managing a broad-ranging technical and policy assessment process. S/he is responsible for coordination of climate change enabling activities at the national level including among governmental agencies, private sector, universities and other stakeholders. The project will provide a full-time technical Assistant to the NPM as well as other requisite technical support staff.

**The Assistant NPM:**

The Assistant NPM should have at least a Masters degree in a relevant field, five years of experience in climate change related fields and fluent in writing and spoken English. The NPM and his/her team will be based in the NCCO (already established to implement the INC and the SNC). S/he is also responsible for technical integrity of project implementation, identification of the working groups, coordination among different stakeholders and between working groups as well as preparation of reports.

**The Steering Committee (SC):**

The project will be supported and monitored by the SC, the membership of which is described below. The SC will define overall policies, decides on functional responsibilities of members and monitors implementation progress. During stocktaking and stakeholder consultations, the DOE has already put in place arrangements for the establishment of the SC comprising all relevant stakeholders. The SC will also review and approve outputs including progress reports and the finalized Third National Communication to the COP. Through the active participation of all ministries and organizations involved, the SC will ensure compliance of project activities and outputs with objectives and goals issued by the National Committee for Sustainable Development (NCSD), Environment High Council and embodied in the National Development Plans.

The SC that was formed in the first and the second phases of the climate change enabling activity will continue to oversee the project and monitor implementation progress. The SC will also ensure that sectoral policies and programs are incorporated in the project, and seek technical assistance from respective member organizations. However, it was felt necessary to review the composition of the members of the existing SC to better supervise implementation and to better engage additional relevant stakeholders. During preparation of INC, the following ministries and organizations were represented at the SC:

- The Ministry of Foreign Affairs,
- The Ministry of Petroleum,
- The Ministry of Energy,
- The Ministry of Industries and Mines,
- The Ministry of Energy,
- The Ministry of Jihad-e-Agriculture,
- The Meteorological Organization
- The Ministry of Interior

However, as per recent stakeholder consultations, it has been proposed that representatives from the following organizations should be added to an expanded membership list:

- The Ministry of Science, Research and Technology;
- The Ministry of Education;



revealed that the capacity of the country for climate change monitoring is limited and requires significant improvements.

**Project Strategy:**

The project strategy is to be inclusive and engage experts and various institutions in implementing different project activities, taking stock and fully utilizing the results of relevant prior or ongoing national and/or international activities.

Weak institutional arrangements seriously hampered the preparation of the INC and the SNC resulting in protracted implementation delays and execution bottlenecks. Further difficulties related to limited availability of skilled expertise. Problems and uncertainties associated with collection of activity data and emission factors were rife and exchange of information and data was carried out with difficulty. The question of data reliability amounted to another sticking point.

In implementing the TNC, there is a need to improve and augment the institutional arrangements as in implementing the INC and SNC, a number of relevant ministries or organizations were not directly and/or sufficiently engaged in project implementation, notably the President Deputy for Planning and Control, the Ministry of Economics, the Ministry of Science, Research & Technology and the Forest, Rangelands, and Watershed Organization among others. Although, several university professors contributed to the preparation of the INC and the SNC, national universities should have been more deliberately engaged to establish a basis for formal educational and research programs. Moreover, the extent of NGO participation was very limited. Thus, the TNC will aim at: (a) Establishment of climate change office/focal points in relevant organizations; (b) Enhancement of information exchange and networking, (c) Training workshops and (d) Formal educational and research program. Initiatives to build national capacity on these fronts have already been taken.

In implementing the INC and the SNC, several specialized working groups were formed to carry out project activities. These groups of experts can be considered a national asset and will continue to participate in the preparation of the TNC.

The DOE will be the national executing agency with the overall responsibility to coordinate project activities. By promoting information exchange among participating institutions through the SC, the NCCWG and the Sub-Committee for Climate Change (see below), the project seeks to identify, to create links to and to use results of all prior or ongoing activities relevant to this project. DOE will provide the office space and facilities, logistics, and coordination services. It will also carry out the following tasks during TNC's implementation:

- Coordination and harmonization of all climate change related activities among all stakeholders at the national level;
- Dissemination of information related to climate change at the national level;
- Development of a system for a gradual and smooth transition from the Enabling Activity Projects to the actual implementation of national programs for climate change mitigation and adaptation strategies.

**5. Institutional Framework for Project Implementation**

The roles and responsibilities of the parties carrying out the Third National Communication activities are as follows:

**The National Project Director:**

The Department of Environment will assign a National Project Director (NPD). The NPD will also act as the Chair of the Steering Committee (see below), and will be responsible for the overall supervision of the project and approval of financial transactions.



## *6. Assessing project impact*

In order to assess project impact on the national capacity to mainstream climate change into national plans and programs, the following indicators and criteria will be used:

- Whether all relevant national institutions have established a climate change office as part of their environmental and sustainable programs.
- Whether all relevant sectors have established a database for collection of reliable activity data for estimation of GHG.
- Whether educational and research programs have been established at all levels.
- Whether a quantitative assessment of climate change impact on different sectors has been carried out.
- Whether the existing policies on environmental conservation are in line with climate change policies.
- Whether the country has been able to attract CDM projects.

The outputs and indicators of the project include the following:

- (1) Iran's Third National Communication to the UNFCCC
- (2) A national climate change program, which will encompass:
  - Establishment of a climate change office in each of the most relevant organizations/ministries with at least five trained experts,
  - A full and comprehensive assessment of the adverse effects of the implementation of response measures on the national economy,
  - A system for preparation of the national greenhouse gas inventory on a continuous basis,
  - A climate change vulnerability assessment and adaptation program,
  - Development of mitigation policies,
  - An enhanced public awareness including educational program at all levels, in particular at university level,
  - An enhanced climate change research program and systematic observation network,
  - A comprehensive assessment of technology needs for mitigation and adaptation,
  - Improved information sharing systems and networking.

- The Management and Planning Organization;
- The National Center for Statistics;
- The Ministry of Economics;
- The Forestry, Rangeland and Watershed Organization;
- The Ministry of Housing and Urban Development;
- The Ministry of Health;
- The National Center for Oceanography;
- The Remote Sensing Organization;
- A representative from the academia;
- A representative from the NGOs;
- UNDP (an observer member).

**The Sub-Committee for Climate Change of the National Sustainable Development Committee (NSDC)**

A representative from relevant organizations shall coordinate climate change activities within their respective organization and shall maintain continuous contact with the NCCO.

**Working Groups:** During the preparation of the INC/SNC several working groups were formed from appropriate ministries, agencies, universities and NGOs as follows:

- Working Group for Inventory;
- Working Group for Mitigation;
- Working Group for Vulnerability and Adaptation;
- Working Group for National Action Plan;
- Working Group for GCOS (Global Climate Observation System);
- Working Group for Technology Transfer;
- Working Group on the Science of Climate Change and Climate Modeling;
- Working Group on Research, Education and Public Awareness

Although these groups have already gained some experiences in their respective areas, they must be strengthened both qualitatively and quantitatively. Thus, new experts must be identified and invited for collaboration in broader areas.

**Workshops:** The necessary external support will be provided by strengthening and encouraging information exchange between national and relevant regional and international institutions, and by organizing training workshops or as maybe needed through hiring short-term international consultants to assist project implementation at critical stages. The detailed content and target audience for the workshop will be more precisely determined during the implementation stage of the project. However, a general strategy will be to convene “policy oriented” workshops for a broader audience including both policy makers and technical experts from governmental as well as from non-governmental and the private sector while targeting the technical training/coordination workshops for the experts who are actually conducting the studies and need to be involved as providers of the data for the studies. The project will formally begin with an *inception workshop* to be attended *inter alia* by the members of the Steering Committee, working groups’ experts and national consultants. The participants will review INC/SNC’s achievements and will be briefed on the existing guidelines and the “Terms of Reference” of the new project.



- Prepare quarterly progress reports and workplans for approval by NPD and UNDP;
- Prepare annual workplans for approval by UNDP and NPD;
- Oversee preparation of all project monitoring and progress reports;
- Submit all requests for payment to NPD;
- For all project staff, consultants and working groups, help finalize ToR and ensure appropriate recruitment process;
- Monitor work, providing feedback and support where necessary;
- Review and comment on outputs;
- Approve salary payments;
- Organize regular meetings of technical teams conducted in a spirit of participation and consensus;
- Ensure all consultants and working groups are encouraged to provide constructive criticism, feedback and be creative;
- Foster and establish links with other relevant GEF projects (e.g. EE and EC projects) and, where appropriate, with other relevant regional/global programmes;
- Provide technical input to project activities where appropriate;
- Help organize SC meetings, participate in the meetings, and ensure follow-up to the SC meetings;
- Encourage an atmosphere of results-orientation in the project office, with a focus on meaningful results and impacts, rather than delivery.

#### Qualifications:

- Demonstrated human resources management skills;
- Demonstrated project management skills;
- Demonstrated networking and partnership building skills, both nationally and internationally;
- Strong report writing skills;
- Fluency in English;
- Knowledge of climate change and substantial work experience in the field of climate change.

#### Project Assistant

Duration: Full time for entire duration of project (four years).

The Project Assistant reports to the NPM and assists him/her in the project's day-to-day activities. The Project Assistant is responsible for all administrative (contractual, organizational and logistical) and all accounting (disbursements, record-keeping, cash management) matters under the project. Specific tasks include:

- Support logistical organization of all project events (workshops, working group meetings, stakeholder consultations, etc.)
- Compile and/or prepare the documentation necessary for the procurement of services, goods and supplies under the project;
- Prepare disbursements from the project account, which are to be signed by the NPM and the NPD;
- Help prepare the project's Financial Reports to UNDP;
- Maintain the project's files and supporting documentation in impeccable order;
- Maintain the project's disbursement ledger and journal;
- Provide logistical support to the NPM and project consultants, as required;
- Ensure that financial and reporting requirements of UNDP and the national legislation, where relevant, are adhered to;
- Ensure timely disbursements of funds from the project bank account;
- Provide general administrative support to ensure the smooth running of the project office;

## Appendix C: Terms of Reference

### National Project Director (NPD) – Financed by Government

Duration: Part time for entire duration of the Project.

The NPD is a state employee designated by Government and entrusted with overall guidance and coordination of the project implementation. The NPD is accountable for the production of the project outputs, appropriate use of the project resources provided by GEF and other co-financers, and coordination of the UNDP/GEF project with other programmes and projects implemented in Iran in relation to global environmental conventions.

The NPD is ultimately responsible and accountable for project implementation on behalf of Government. S/he will act as the focal point and responsible party for project implementation and will ensure that all Government inputs committed to the project are available in a timely manner. S/he will also act as the approving authority for staff appointments and the selection of consultants. In particular the NPD will:

- facilitate liaison and cooperation with sectoral authorities in the course of project implementation;
- liaise with UNDP and project partners as required, on a regular basis, to build an effective partnership for the successful delivery of expected project outcomes;
- chair the meetings of the SC;
- ensure project activities are coordinated with activities of other governmental and non-governmental organizations;
- ensure that there is a clear decision-making process for project implementation so that project activities are planned well in advance and necessary resources are available;
- submit annual workplans, and project (including Budget) revisions to the SC for approval;
- approve quarterly project work plans
- approve terms of references and the selection of project staff and experts, or clearly delegate this responsibility to the NPM;
- approve reports produced by the project experts and contractors;
- approve all payments under project, or clearly delegate approval authority to the NPM;
- personally approve/certify project monitoring reports (APRs), and audit reports;
- ensure that national legislation, rules and procedures are fully observed in project implementation.

### National Project Manager (NPM)

Duration: For entire duration of project (four years).

The NPM is responsible for overall day-to-day project management. The NPM will ensure smooth implementation of the project in accordance with the project document and UNDP-GEF procedures. The NPM also bears overall responsibility for establishing and maintaining partnerships. He/she shall liaise directly with designated officials of the SC, with existing and potential project donors, and others as deemed appropriate and necessary by the SC or by the NPD.

He/she shall be responsible for coordinating and overseeing the preparation and delivery of all substantive, managerial and financial reports from and on behalf of the project. Under the general supervision of the NPD, s/he will be responsible for supervising project staff, consultants and working groups. S/he will be responsible for establishing a culture of learning and adaptation inside the project operations. Specific tasks include:

12/14/09





- Draft correspondence and documents, finalize correspondence of administrative nature, edit reports and other documents for correctness of form and content;
- Provide oral interpretation and written translation as required;
- Act on telephone enquiries, fax, post and e-mail transmissions, and co-ordinate appointments;
- Arrange duty travel;
- Perform any other administrative/financial duties as requested by the NPM;
- Undertake any other actions under the project as requested by the NPM;
- Prepare payments requests to UNDP.

#### Qualifications and skills

- University degree required (Business Administration preferred);
- Fluency in written and spoken English;
- Ability to cope with spreadsheets and book-keeping skills;
- Excellent computer literacy (Word, Excel, Internet, PowerPoint);
- Outstanding time-management, organizational and inter-personal skills;
- Previous experience with UN system or other donor-supported projects would be an asset.

#### Steering Committee (SC)

The National Project Director and the National Project Manager will act as the Chair and the Secretary of the Project Steering Committee (PSC), respectively. The PSC will oversee project planning, implementation and performance. It will consist of representatives from each of the project partners. The PSC will be responsible, inter alia, for adopting annual work programmes prepared by the project. It will monitor the project's implementation to ensure timely progress in attaining the desired results, and efficient coordination with other projects. More specifically, the PSC is charged with following responsibilities:

- Develop a common understanding of what is needed to expedite project implementation;
- Oversee the preparation of Iran's SNC and provide overall policy advice;
- Review and comment on work plans and budgets;
- Review and give feedback on progress reports as submitted by the National Project Director;
- Help mobilize necessary expertise, as needed for the proper execution of the Project outputs;
- Help mobilize available data and ensure a constant information flow between all concerned parties;
- Ensure that information on the implementation of the Project as well as the Project's outputs are disseminated among stakeholders;
- Assist effective communication and decision-making between the National Project Director and other sectors;
- Review and approve project outputs.
- At the first meeting of the PSC, the PSC members will review this TOR and the PSC membership, and adopt changes as appropriate.
- The PSC shall meet at least twice a year and more if it is deemed appropriate. The NPM will facilitate the meetings and will prepare and distribute all concerned documents in advance of meetings, including the meeting agenda. The NPM will also act as the reporter.





## Appendix D: Endorsement letters: GEF/UNFCCC Focal Point



ISLAMIC REPUBLIC OF IRAN  
MINISTRY OF FOREIGN AFFAIRS

Date: 18 December 2011

Ms. Consuelo Vidal  
Resident Representative  
UNDP/Iran

Dear Madam,

*Re: Request of Funding for Preparation of Third National Communication*

On behalf of the Government of the Islamic Republic of Iran, in my capacity as GEF Operational Focal Point, and with reference to my letter dated 10 August 2010, where I endorsed GEF funding request for US \$500,000 for preparation of Iran's Third National Communication (TNC) to the UNFCCC, I am pleased to renew that endorsement.

We, hereby, express our interest in receiving UNDP good offices and support for the preparation of the above national report, with the understanding that the initial funding of \$20,000 has already been allocated for the self-assessment and stakeholders consultations required for the preparation of the TNC Project Proposal, and that the remaining \$480,000 will be assigned upon approval of the TNC Proposal by UNDP.

Yours sincerely

Mahmoud Barimani  
Director General for  
International Economic Affairs  
And Specialized Agencies and  
GEF Operational Focal Point  
UNFCCC National Focal Point





**SIGNATURE PAGE**

**Country: Islamic Republic of Iran**

**UNDAF Outcome (s)/Indicator (s):** National, sub-national and local capacities enhanced to ensure 1) integrated management, conservation and sustainable use of ecosystems, natural resources and biodiversity; 2) mainstreaming environmental economics into national planning and audits; 3) effective use of knowledge and tools in prevention, control and response to current and emerging environmental pollution; 4) formulation and implementation of climate change mitigation and adaptation plans and projects

**CPAP Outcome (s)/Indicator (s):** Same as the UNDAF Outcome

**CPAP Output (s)/Indicator (s):** National capacities for mitigation and adaptation to Climate Change supported

**Executing Entity/Implementing Partner:** Department of Environment, Islamic Republic of Iran

**Implementing entity/Responsible Partner:**

**Brief Description**

The objective of this project is to enable Iran to prepare its Third National Communication (TNC) and submit to the Conference of the Parties (COP) of the UN Framework Convention on Climate Change (UNFCCC) according to its Article 12. TNC will be prepared according to the guideline adopted by Decision 17/CP8 and any other guidance that will be adopted by the COP which are applicable to the national communications of Non-Annex I Parties. As the follow-up project to the INC and the SNC, TNC will update and strengthen information provided on national circumstances including newly developed national regulations, rules and procedures, greenhouse gas inventories, climate change mitigation, vulnerability to climate change and adaptation strategies, and information on capacity building activities including public awareness, education, training, systematic research and observation, and technology transfer. A list of projects related to adaptation to climate change and mitigation of climate change will also be included. Emphasis will be on improving the quality of reporting and development of national strategies based on quantitative approaches. The project will also attempt to streamline climate change considerations with the official national sustainable development plans and to enhance the national capacity to prepare subsequent NCs on a continuous basis that meet the COP guidelines.

|                         |                     |
|-------------------------|---------------------|
| Programme Period:       | June 2011-June 2015 |
| Atlas Award ID:         | 00060775            |
| Project ID:             | 00076671            |
| PIMS #                  | 4551                |
| Start date:             | 15 June, 2011       |
| End Date                | 15 June, 2015       |
| Management Arrangements | _____               |
| PAC Meeting Date        | _____               |

|                            |              |
|----------------------------|--------------|
| Total resources required   | 870,000 US\$ |
| Total allocated resources: | 720,000 US\$ |
| • Regular                  | _____        |
| • Other:                   |              |
| ○ GEF                      | 480,000 US\$ |
| ○ Government               | 390,000 US\$ |
| • In-kind(Gov.)            | 240,000 US\$ |
| • Cash                     | 150,000 US\$ |
| In-kind contributions      | 240,000 US\$ |

**Agreed by (Executing Entity/Implementing Partner):**

H.E., Mr. M.J. Mohammadi Zadeh, Vice President and Head of Department of Environment

NAME

SIGNATURE

Date/Month/Year

**Agreed by (UNDP):**

Ms. C. Vidal, Resident Representative of UNDP in Tehran

NAME

SIGNATURE

Date/Month/Year

*[Handwritten Signature]*  
21<sup>st</sup> Dec. 2011



**United Nations Development Programme**

**Global Environment Facility**

Please note that the Implementing Agency Fee (GMS) is intended to cover the costs of project support, supervision and oversight, not project execution. Where a government, as executing agency, requests UNDP to provide specific services as a part of project execution, then the government party is responsible for reimbursing UNDP in accordance with UNDP policies on cost recovery. In such a case your office must maintain appropriate separation between implementation support and oversight, and execution services, in accordance with the UNDP Internal Control Framework.

As specified in the project document, a detailed project management plan will need to be prepared by the Project Manager in order to support timely implementation of the activities. This management plan will specify the actions, timelines and responsibilities for review at the inception workshop. It will be completed and updated throughout the life of the project as relevant in accordance with the various annual reviews such as steering committees, tri-partite reviews, etc. The plan will include all the support activities to be undertaken by the Country Office as listed in Annex 2. It should also highlight the delivery milestones and identify responsible Country Office staff at the programmatic and operational level.

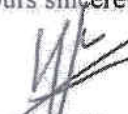
We take the opportunity to draw your attention to the following mandatory requirements for all GEF-funded projects:

- ❖ Any changes contemplated with respect to the project objectives and outcomes will have to be discussed with and approved by UNDP-EEG HQ, as they will have to be reported to GEF.
- ❖ All GEF-funded projects will be audited in accordance with UNDP Financial Regulations and Rules and Audit policies. UNDP-EEG reserves the right to withhold fee payments and to suspend the project if this requirement is not met in a timely fashion.

Should you need clarification on the GEF Project Cycle and requirements, please consult the UNDP-GEF Programming Manual at <http://intra.undp.org/gef>.

In concluding, I would like to assure you of the UNDP-EEG Team's and my personal commitment to successful implementation of the project. Should you have any concerns or questions, please do not hesitate to contact me.

Yours sincerely,

  
Yarnick Glemarec  
GEF Executive Coordinator

cc: Mr. Ajay Chhibber, Assistant Administrator and Bureau Director RBAP  
Ms. Leylanaz Shajii, Programme Specialist, UNDP Iran  
Mr. Mehdi Kamyab, Programme Specialist, UNDP Iran



20 December 2011

Dear ~~Mr.~~ <sup>Consuelo,</sup> Vidal-Bruce,

**Subject: Enabling Activities - Iran: Enabling Activities for the Preparation of Iran's Third National Communication to the UNFCCC - PIMS No.4551 - ATLAS BU: IRN10 - Proposal No.: 00060775 - Project No.: 00076671**

I am pleased to delegate to you the authority to sign the above-mentioned *Enabling Activities* project document on behalf of UNDP. You are also kindly requested to obtain the representative's signature for the Government and the Implementing Partner on the cover page, as necessary, then commence the implementation of the project. The project, which amounts to a total of US\$ 480,000.00, has received its final approval in accordance with the established GEF procedures (CEO approval/endorsement attached as relevant).

Once the project document is signed, you may request issuance of an *Authorized Spending Limit (ASL)* by submitting an Atlas-generated *Annual Work Plan (AWP)* based on the *Total Budget and Annual Work Plan* in the attached project document, along with a copy of the signed cover page, to Ms. Maude Veyret-Picot at UNDP Headquarters. Please note that this project has already been assigned an Atlas ID: *IRN10, Proposal No.:00060775 and Project No.:00076671*. Comments on the AWP will be provided within 5 working days by UNDP-HQ.

Any budget revisions should be forwarded to UNDP-HQ with an explanation of the changes proposed. In this connection, please note that UNDP-EEG is not in a position to increase the project budget above the amount already approved by the GEF Council. Therefore, any over-expenditure on this project would have to be absorbed by other Country Office resources.

As an Implementing Agency of the GEF, UNDP earns a fee upon approval of each main project (Full-Size, Medium-Size or Enabling Activities). The fee is used to cover the costs incurred by UNDP, both at Headquarters and in the Country Office. The Country Office portion is for services related to supporting project development and providing implementation oversight as detailed in Annex 2. The total fee that your office will receive over the lifetime of the project will be US\$ 18,000.00 payable in annual installments; this fee will be paid directly by UNDP-EEG to the XB account of the Country Office. The first installment will be effected upon receipt of the signed main project document cover page in UNDP-HQ. The second and all subsequent annual fee installments will depend on the satisfactory delivery of the services described in Annex 2 and thus will be directly linked to project expenditure and delivery. Note that the amount to be received by your office includes the cost of services generated by the Initiation Plan under the *GEF Project Development Facility (PDF)/Project Preparation Grant (PPG)* window.

Mr. Consuelo Vidal-Bruce  
Resident Representative  
UNDP  
Teheran  
Iran



**United Nations Development Programme**

**Global Environment Facility**

| Stage   | Country Office   | EEG  |
|---|--|--|
| <b>Implementation</b>   | Management Oversight and support   | Technical and SOF Oversight and support  |
|   | Project Launch   | Technical support in preparing TOR and verifying expertise for technical positions. Verification of technical validity / match with SOF expectations of inception report. Participate in Inception Workshop    |
|   | Policy negotiations  | Technical information and support as needed  |
|   | Steering Committee meetings  | Technical support, participation as necessary  |
|   | Issuance of AWP, monitor implementation of the work plan and timetable, budget revisions as necessary  | Advisory services as required  |
|   | Financial management – Conducting budget revisions, verifying expenditures, advancing funds, issuing combined delivery reports, ensuring no over-expenditure of budget | Allocation of ASLs   |
|   | Technical, managerial and financial backstopping, problem identification & troubleshooting   | Technical support and troubleshooting, Support missions as necessary.  |
|   | Annual site visits – at least one site visit per year, report to be circulated no later than 2 weeks after visit completion  | Project visits – at least one technical support visit per year.  |
|   | Reviewing, editing, responding to project reports; monitoring project milestones   | Technical support, validation, quality assurance   |
|   | Ensuring necessary audits  |  |
|   | Final budget revision and financial closure (within 12 months after operational completion).   | Return of unspent funds  |
|   | <b>Evaluation and Reporting</b>  | Preparation and completion of Annual Reports, final reports, tracking substantive indicators   |
| Organize project review arrangements, such as steering committee meetings, as outlined in project document and agreed with UNDP-HQ                                    |  | Technical support, participation as necessary  |
| Arrange mid-term, final, and other evaluations – prepare TOR, hire personnel, plan and facilitate mission / meetings / debriefing, circulate draft and final reports. |  | Technical support in preparing TOR and verifying expertise for technical positions. Verification of technical validity / match with SOF expectations of inception report. Participate in briefing / debriefing |
|   |  | Technical analysis, compilation of lessons, validation of results  |
|   |  | Dissemination of technical findings  |

**Service standards:**

1. initial response to communication within 2 working days
2. full response to communication (with the exception of a response requiring travel) within 10 working days

Annexes

- Annex 1** CEO endorsement/approval (not applicable to National Communication)  
**Annex 2** Project Support Services (management oversights)

**Annex 2: UNDP Environment and Energy Group - Project Support Services**

| Stage  | Country Office  | EEG   |
|--|---|---|
| <b>Identification, Sourcing and Screening of Ideas</b> | Identify project ideas as part of country programming   | Provide information on substantive issues and specialized funding opportunities (SOFs)  |
|  |   | Verify soundness and potential eligibility of identified idea   |
| <b>Feasibility Assessment / Due Diligence Review</b>   | Assist proponent to formulate project idea / prepare project idea paper   | Technical support:<br>provide up-front guidance;<br>sourcing of technical expertise;<br>verification of technical reports and project conceptualization;<br>guidance on SOF expectations and requirements |
|  | Review and appraise project idea  | Provide detailed screening against technical, financial, social and risk criteria and provide statement of likely eligibility against identified SOF  |
|  | Assist proponent to identify and negotiate with relevant partners, cofinanciers, etc                              | Assist in identifying technical partners;<br>Validate partner technical abilities.  |
|  | Obtain clearances – Government, UNDP, Executing Agency, LPAC, cofinanciers, etc.; monitor project milestones      | Obtain clearances – SOF   |
|  |   |   |
| <b>Development &amp; Preparation</b>                   | Management and financial oversight of Initiation Plan   | Technical support, backstopping and troubleshooting   |
|  | Support project development, assist proponent to identify and negotiate with relevant partners, cofinanciers, etc | Technical support:<br>sourcing of technical expertise;<br>verification of technical reports and project conceptualization;<br>guidance on SOF expectations and requirements                               |
|  | Review, appraise, finalize Project Document   | Verify technical soundness, quality of preparation, and match with SOF expectations   |
|  | Negotiate and obtain clearances – Government, UNDP, Executing Agency, LPAC, cofinanciers, etc                     | Negotiate and obtain clearances by SOF  |
|  | Respond to information requests, arrange revisions etc.   | Respond to information requests, arrange revisions etc.   |
|  | Prepare operational and financial reports on development stage as needed  | Verify technical soundness, quality of preparation, and match with SOF expectations   |





سرکار خانم ویدال  
نماینده مقیم سازمان ملل و هماهنگ کننده برنامه عمران ملل متحد در تهران

با اهدای سلام و احترام

ضمن تبریک مجدد سال نو میلادی ۲۰۱۲ و تقدیر از تلاش های سرکار عالی در روند آماده سازی و تایید سند تهیه سومین گزارش ملی تغییرات آب و هوای جمهوری اسلامی ایران، به پیوست یک نسخه اصل سند مذکور که در تاریخ ۹۰/۹/۳۰ با حضور سرکار عالی امضاء گردید، جهت انجام اقدامات آتی و استحضار ارسال می گردد. امید است استمرار همکاری های طرفین موجب ارایه مطلوب گزارش مذکور گردد. شایان ذکر است، اعلام وصول سند مذکور موجب امتنان است.

مجید شفیق پور

قائم مقام رییس سازمان در همکاری های بین المللی  
و رییس مرکز امور بین الملل و کنوانسیون ها

2 JAN 2012

