

United Nations Development Programme
Country: MALAYSIA



PROJECT DOCUMENT

Project Title: National Corporate GHG Reporting Programme (NCGRP) for MALAYSIA

UNDAF Outcome(s):

As Malaysia does not have a United Nations Development Assistance Framework, UNDP's framework is based on activities that directly supports the achievement of national priorities as laid out in the 10th Malaysia Plan and in line with the *national transformation policy, government transformation programme, economic transformation programme, rural transformation programme, and political transformation programme*.

Expected CP Outcome(s):

Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.

Expected Output(s):

Capacity of organisations in measuring and reporting emissions of greenhouse gases strengthened with a focus on policy tools development, national reporting, and climate change mitigation actions.

Implementing Partner: Ministry of Natural Resources and Environment (MNRE)

Executing Entity: Ministry of Natural Resources and Environment (MNRE)

Brief Description

At the UNFCCC COP 15 in Copenhagen in 2009, the Prime Minister announced that Malaysia would voluntarily reduce its emissions intensity of GDP by up to 40% based on 2005 levels by 2020, on the basis of technology transfer and financial support from developed countries. Subsequently, it is further augmented with mitigation strategies through the National Policy on Climate Change and National Green Technology Policy that are currently being implemented under the Tenth Malaysia Plan (RMK-10). The role of GHG reporting has been recognised to be instrumental in supporting the initiatives. Many corporations in Malaysia have been increasingly reporting their GHG emissions publicly through Annual Reports or in annual Sustainability and Corporate Responsibility reports. To further mobilise and support organisations in GHG reporting, the Ministry of Natural Resources and Environment (NRE) and United Nations Development Programme (UNDP) Malaysia initiated a study in 2012 to develop a national framework for carbon disclosure. This Project builds on the results attained from the study to continue assisting companies/institutions in order to introduce standardised approaches and principles that will increase consistency and transparency in GHG accounting and reporting.

The key outcomes of the project shall be as follows:

- Outcome 1: Implementation framework and supporting instruments for the reporting programme is established.
- Outcome 2: Outreach and capacity building programme is implemented.
- Outcome 3: Pilot programme is organized and completed

Programme Period:	2013-2015	Total resources required	USD 300,000
Key Result Area:	Outcome 2: Strengthening Climate Resilient Development	Total allocated resources:	
Atlas Award ID:	TBD after signing	Regular	0
Project ID:	TBD after signing	Cost-sharing	USD 300,000
Start date:	July 2013	• Other:	
End Date	Dec 2015	○ Government	0
Management arrangements	NIM	○ In-kind	USD 100,000
		GMS is at 6% which is USD 15,283	

Agreed by (Executing Entity/Implementing Partner):

Date/ Month/Year

DATUK DR RAHAMAT BIVI BT. YUSOFF
 Director General
 Economic Planning Unit
 Prime Minister's Department **22 APR 2013**

Agreed by Resident Representative:

Date/ Month/Year

Patrice Coeur-Bizot
 Resident Representative, a.i.

23 APR 2013

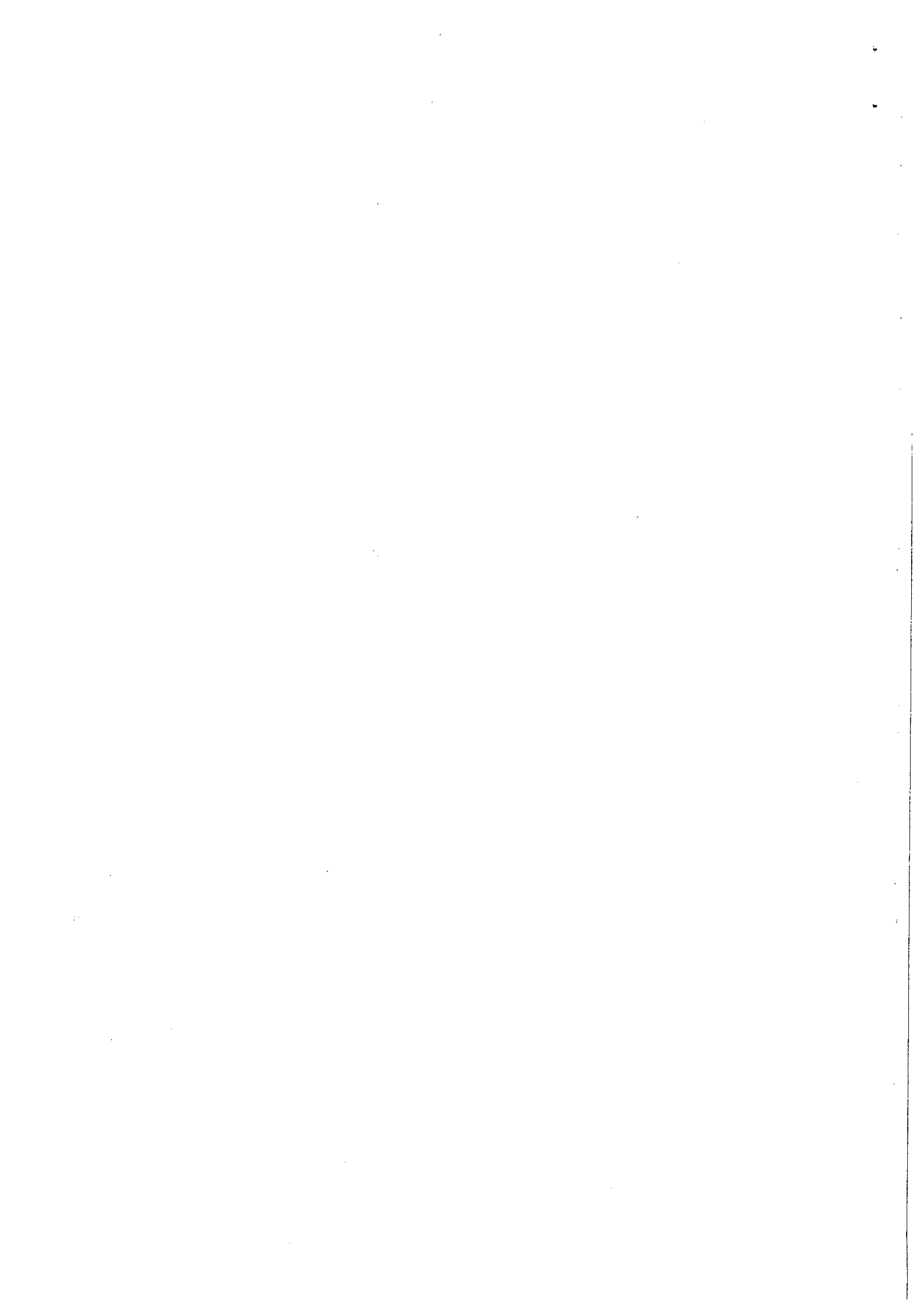


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Acronyms

EPU	Economic Planning Unit
FIT	Feed-in-Tariff
GDP	Gross Domestic Product
GHG	Green House Gases
GTCCC	Green Technology and Climate Change Council
GTP	Government Transformation Programme
MDG	Millennium Development Goals
MEGTW	Ministry of Energy, Green Technology and Water
MGTC	Malaysia Green Technology Corporation
MHLG	Ministry of Housing and Local Government
MIGHT	Malaysian Industry-Government Group for High Technology
MITI	Ministry of International Trade and Industry
MOA	Ministry of Agriculture
MOSTI	Ministry of Science, Technology and Innovation
MP	Malaysia Plan
MRRD	Ministry of Rural and Regional Development
NCGRP	National Corporate GHG Reporting Programme (NCGRP)
NCDP	National Carbon Disclosure Programme
RE	Renewable Energy
REPPA	Renewable Energy Power Purchase Agreement
SEDA	Sustainable Energy Development Authority
SHS	Solar Home System
SME	Small and Medium Industries
SREP	Small Renewable Energy Projects
ST	Suruhanjaya Tenaga (Energy Commission)
TNB	Tenaga Nasional Berhad
UNDP	United Nations Development Programme

SITUATION ANALYSIS

Introduction

At the UNFCCC COP 15 in Copenhagen in 2009, the Prime Minister announced that Malaysia would voluntarily reduce its emissions intensity of GDP by up to 40% based on 2005 levels by 2020, on the basis of technology transfer and financial support from developed countries. The voluntary aspiration sets forward the country's overarching strategy for development in a low carbon pathway, demonstrating willingness to address GHG emissions in the context of sustainable development. Subsequently, it is further augmented with the National Policy on Climate Change and National Green Technology Policy that together set the foundation for a sustainable, low carbon society.

Both policies are currently being implemented through the Tenth Malaysia Plan (RMK-10) on mitigation strategies to reduce emission of GHGs. Major efforts will be introduced to reduce emissions intensity through several programmes aimed at reducing emission of GHGs. These initiatives include creating stronger incentives for investments in renewable energy; promoting energy efficiency to encourage productive use of energy; improving solid waste management; conserving forests; and reducing emissions to improve air quality.

The role of GHG reporting has been recognised to be instrumental in supporting the initiatives. Although voluntary in nature in Malaysia, trends of such reporting have been increasingly popular. Many companies, institutions and other corporate bodies already publicly report their GHG emissions (also known as carbon disclosure) and the information is included in Annual Reports or in annual Sustainability and Corporate Responsibility reports. To further mobilise and support organisations in GHG reporting, the Ministry of Natural Resources and Environment (NRE) and United Nations Development Programme (UNDP) Malaysia initiated a study in 2012 to develop a national framework for carbon disclosure. This Project builds on the results attained from the study to continue assisting companies/institutions in order to introduce standardised approaches and principles that will increase consistency and transparency in GHG accounting and reporting.

Stock Taking and Baseline Initiatives

Available Standards and Existing Programmes

A review was conducted on the available GHG accounting and reporting standards to ensure any proposed programme shall be consistent with existing internationally method. It was noted that the leading global standards are the GHG Protocol Corporate Accounting and Reporting Standards developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development as well as ISO 14064-1:2006 Greenhouse Gases - Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals by ISO.

The key aspects of the ISO 14064-1 are compatible with the GHG Protocol. In fact, both standards are nearly identical. The main difference between them is that the GHG Protocol identifies, explains and provides options for GHG accounting and reporting best practices while ISO 14064-1 establishes minimum standards for compliance with its best practices. Nonetheless, they complement each other with ISO 14064-1 identifying what to do and the GHG Protocol explaining how to do it. The GHG Protocol and ISO 14064-1 have been adopted for mandatory and voluntary GHG reporting schemes and programmes. While both standards are adopted in some programmes, most international GHG reporting schemes and programmes are applying GHG Protocol.

GHG Reporting by Malaysian Companies

In Malaysia, there are already a few Malaysian companies making GHG reporting on a voluntary basis. These reporting are typically part of their corporate sustainability reporting or social responsibility reporting. Information of Malaysian companies which have voluntarily participated in GHG reporting schemes and programmes were compiled from various sources (websites, published reports, workshop and interviews) to assess the level of local participation in such programmes as well as the reporting standards they are applying.

The voluntary GHG emission reporting information among the companies in Malaysia is not totally publicly-disclosed. These reporting are typically part of their corporate sustainability reporting or social responsibility reporting. The common standard adopted is the GHG Protocol but most reporting are not verified or certified. To date, the reporting and award programmes that Malaysian companies have participated are the Carbon Disclosure Project (CDP) and the Association of Chartered Certified Accountants (ACCA) Malaysia Sustainability Reporting Awards (MaSRA).

CDP was launched in 2000 and it encourages worldwide participation from the companies to measure and disclose their GHG emissions and climate change strategies in order to keep up with the reduction targets and improve on the performance. In Malaysia only a few large corporation has responded to CDP thus far.

MaSRA, previously known as ACCA Malaysia Environmental and Social Reporting Awards (MESRA) was first introduced in 2002. The award is held annually and aims to encourage the uptake of sustainability (or corporate responsibility) reporting among companies in Malaysia and to raise transparency in reporting. The judging criteria comprises of 3 components, i.e. completeness, credibility and communication. In MaSRA 2011, a total of 43 entries have been received. The top 20 companies were evaluated by MaSRA's judging panel. Out of the shortlisted entries, 15 entries were for stand-alone sustainability reports while the remaining 5 were prepared as a part of their annual reports.

The list of Malaysian companies which have voluntarily reported their GHG emissions were mainly identified from the reporting and award programmes mentioned above. Only selected companies were selected for detail review as presented in Table 1 below.

Table 1: Review of GHG Reporting in Malaysian Companies

Company Name	Report Title	Reporting Standard	Reporting Cycle	Achievement
ASTRO All Asia Networks plc	Corporate Responsibility Report 2009	GHG Protocol	Financial year	Short-listed Reports – Stand-alone Category (MaSRA 2010)
British American Tobacco (Malaysia) Berhad	Annual Report 2010	GHG Protocol	Financial year	Winner – Reporting in an Annual Report (MaSRA 2011)
DiGi	Sustainability Report 2011	GHG Protocol	Financial year	1 st place winner (CDP 2011)
	Sustainability Report 2009	GHG Protocol	Annual	Winner – Best First Time Reporter (MaSRA 2010); Commendation – Reporting on Stakeholder Engagement and Inclusion (MaSRA 2010)
DRB HI-COM Berhad	Sustainability Report 2010	GHG Protocol	Financial year	-

Company Name	Report Title	Reporting Standard	Reporting Cycle	Achievement
Guinness Anchor Berhad	Corporate Responsibility Report 2010	GHG Protocol	Financial year	Short-listed Reports – Stand-alone Category (MaSRA 2011)
HSBC Bank Malaysia Berhad	Corporate Sustainability Report 2009	Not specified.	Not specified.	-
Indah Water Konsortium Sdn. Bhd. (IWK)	Sustainability Report 2010	GHG Protocol	Calendar year	Short-listed Reports – Stand-alone Category (MaSRA 2011)
Kuala Lumpur Convention Centre	CSR Report 2010	Not specified.	Not specified.	Short-listed Reports – Stand-alone Category (MaSRA 2011)
Malayan Banking Berhad (Maybank)	Sustainability Report 2010	GHG Protocol	Financial year	Winner – Best First Time Reporter (MaSRA 2011); The only financial institution in Malaysia to participate in the CDP 2009 questionnaire
Malaysia Airports Holdings Berhad	Sustainability Report 2010	GHG Protocol	Calendar year	-
Malaysian Resources Corporation Berhad	Sustainability Report 2011 Green	GHG Protocol	Calendar year	-
Maxis Berhad	Sustainability Report 2010/2011	GHG Protocol	Not specified.	-
Nestlé (Malaysia) Berhad	Creating Shared Value Report 2010	GHG Protocol	Calendar year	Overall Winner – Best Sustainability Report (MaSRA 2011)
	Creating Shared Value Report 2009	GHG Protocol	Calendar year	Commendation – Reporting on Stakeholder Engagement and Inclusion (MaSRA 2010)
Petroleum Nasional Berhad (PETRONAS)	Sustainability Report 2009	IPIECA/API & GHG Protocol	Financial year	Short-listed reports – Stand-alone Category (MasRA 2010)
PLUS Expressway Berhad	CSR Report 2009	GHG Protocol	Calendar year	Short-listed Reports – Stand-alone Category (MaSRA 2010)
Puncak Niaga Holdings Berhad	Annual Report 2009	GHG Protocol and ISO 14064	Financial year	Winner – Integrated Reporting in an Annual Report (MaSRA 2010)
Telekom Malaysia Berhad (TM)	Sustainability Report 2010	GHG Protocol	Calendar year	Winner – Reporting on Social Performance (MaSRA 2011)
UEM Environment Sdn. Bhd.	Sustainability Report 2010	GHG Protocol	Calendar year	Winner – Reporting on Environmental Performance (MaSRA 2011)
	Sustainability Report 2008	GHG Protocol	Calendar year	Runner-up – Best Sustainability Report (MaSRA 2010)
UEM Land Holdings Berhad	Corporate Responsibility Report 2010	GHG Protocol	Calendar year	Short-listed Reports – Stand-alone Category (MaSRA 2011)

Institutional and Policy framework

Both the National Policy on Climate Change and National Green Technology Policy are important in achieving Malaysia's broader development goals of achieving a high income nation status in a sustainable manner. Strategic implementation of these policies is therefore necessary. Recognising this, a National Green Technology and Climate Change Council, chaired by the Prime Minister, was established in early 2010 to foster greater ties and coordination between these two complementary areas.

The Council comprises of several Working Committees that can play key roles on mitigation actions in the country. These Committees include Working Committee on Industry led by the Ministry of International Trade and Industry; Working Committee on Transport led by the Ministry of Transport; Working Committee on Human Capital led by Ministry of Human Resources; Working Committee on Research and Innovation led by Ministry of Science, Technology and Innovation; Working Committee on Promotion and Public Awareness led by Ministry of Information, Communication and Culture; and Working Committee on Green Neighbourhood led by Ministry of Housing and Local Government (MHLG).

Specifically on energy, energy policy in Malaysia is set and overseen by the Economic Planning Unit (EPU), with close coordination with the line ministry (MEGTW, on electricity matters) and other agencies (i.e. Energy Commission and SEDA). MEGTW regulates the non-oil and electricity sector (and gas energy and security sectors) while EC regulates the energy supply activities and enforces energy supply laws. SEDA, is a newly set up statutory body formed under the Sustainable Energy Development Authority Act 2011 whose role is to administer and manage the implementation of the feed-in tariff (FIT) mechanism mandated under the Renewable Energy Act 2011. Malaysia Green Technology Corporation (MGTC) from time to time provides promotion, policy research and awareness support to MEGTW related to green technology including RE and EE initiatives.

Energy efficiency (EE) measures (including demand side management) have been mainstreamed since the 7th Malaysia Plan period (1996-2000) and in 10th Malaysia Plan, it has been further intensified to harness energy savings potential and reduce Malaysia's carbon emissions and dependence on fossil fuels. Intrinsic barriers to energy efficiency that pose challenges in capturing this opportunity are being addressed. EE covers the efficiency of power generation, transmission and distribution of electricity as well as various end uses of energy such as in the industrial, commercial and residential. Policy on renewable energy (RE) too has been recognised as early in the year 2000. The advent of the Fifth fuel policy has further reinforced Malaysia's position in developing the RE industries. It was initially targeted to contribute 5% of the country's electricity demand by year 2005 and the Small Renewable Energy Program (SREP) was launched in May 2001 under the initiative of the Special Committee on Renewable Energy (SCORE) aimed to support the government's strategy in intensifying the development utilization of RE, where by 2005, equal to between 500 and 600 megawatt (MW) of installed capacity to be made available. 10th Malaysia plan targets for 5.5% of RE generation which is about 985MW in capacity.

Solid waste management has traditionally been under the jurisdiction of Local Authorities in Malaysia. However, the Solid Waste and Public Cleansing Management Act 2007 centralise management of solid waste by the Federal Government. The National Solid Waste Management Department was established under the Ministry of Housing and Local Government in 2007. The Solid Waste and Public Cleansing Management Corporation was established to handle the day-to-day operation of solid waste and public cleansing. The waste sector is one of the key sources of emissions after the energy sector. Among others, landfills contributed to nearly half of the total methane emission in the country in 2000. Mitigation

strategies for reduction of GHGs from solid wastes therefore focus only on the organic portions of solid wastes, which can be achieved in three stages of solid waste management. From waste generation stage, the potential include reduction of organic waste generation so that the organic wastes that need to be treated or disposed are minimised. During waste treatment stage, emissions reduction can be achieved through proper treatment/recycling of organic waste to minimise the amount disposed. In the waste disposal stage, proper landfill management can ensure that GHG emissions from the site are properly captured for flaring or recovery.

In spite of the rapid rate of development, Malaysia continues to retain a highland of natural forests. The national forest policy and National Forestry Act has set aside 14.19 million out of the 33 million hectares of the country as permanent forest reserves, serving as the core forested areas of the country. Of this forested area, 10.53 million and 3.66 million hectares serve as production and protection forest respectively. There are approximately a quarter of a million hectares that have been dedicated to forest plantations and all remaining forests are designated as state land forest. A significant amount of carbon has been sequestered by existing forested areas and managed land use areas as well as through reforestation and replanting programmes, and suburban and urban tree planting. CO₂ removal occurred in the LULUCF sector. The net removal from the LULUCF sector amounted to 220.19 Mt CO₂. Climate change mitigation in the forestry sector may be accomplished by reducing the rate of forestry-related GHG emissions to the environment and taking advantage of the unique ability of living green plants to remove carbon dioxide from the atmosphere. Emissions reductions in the forestry sector can be accomplished either through harvesting fewer trees and converting less forested land to other land uses, or, alternatively, by harvesting timber or converting land in ways that result in fewer emissions of GHG to the atmosphere.

The Third National Agricultural Policy outlines the strategic directions for agricultural development from 1998 to 2010. The policy noted an expected decline in contributions from rubber, cocoa and sawn logs while the contribution from oil palm and food commodities were expected to increase. The main thrust of the policy was to focus on new approaches to increase productivity as well as conserve and utilize natural resources in a sustainable manner. Methane from rice production is the main source of emissions of the agriculture sector. Fertiliser usage and livestock management also contribute significant and growing emissions. The future emissions from rice cultivation will probably increase slightly due to production intensity and the small increase in new areas of rice cultivation. Additionally, future emissions from the livestock sector will potentially increase parallel with the government's plan to increase cattle livestock production from the present 15 to 40 percent self-sufficiency or an increase of about 1.5 million cattle.

Stakeholder Consultation Process

A total of two stakeholder consultation workshops were organised on the 12th July 2012 and 27th September 2012 respectively. The 1st stakeholder consultation workshop was held to introduce the concept of NCDP to the companies and institutions in Malaysia and to seek inputs and comments from relevant stakeholders. The 2nd stakeholder consultation workshop was held to present the result of discussion sessions of the 1st stakeholder consultation workshop and to further obtain inputs and improvement to the draft framework. Both workshops were attended approximately 108 participants in total representing 41 organisations from government, business associations, companies, NGOs and so forth. Overall, the proposed programme was well received and did not receive any major objection from the participating stakeholders. Additional constructive comments and inputs were received during the group discussions. The suggestions given, among any others are the establishment of pilot companies for GHG reporting and to conduct hands-on training programmes for the involved parties. Based on the outcomes of stakeholders meetings and the Final Report of the National Carbon Disclosure Programme feasibility study (July 2012 to October 2012), NRE

would now want to proceed with the full implementation the NCDP programme. The National Corporate GHG Reporting Programme (NCGRP) shall now be used extensively to differentiate between the UK NCDP.

Mainstreaming Gender and Vulnerable Communities Issues

National Corporate GHG Reporting Programme (NCGRP) project shall endeavour to ensure women, children, indigenous and the under privileged communities will be consulted and participating actively in project activities, where relevant. NRE may seek advice from UNDP, EPU and other interest groups to ensure issues related to gender and vulnerable communities are included during formulation and implementation of the GHG Corporate Reporting in line with the NCGRP framework for Malaysia.

Where applicable, gender and community issues will be considered throughout the project implementation, including at the Inception Phase as women and men, as well as vulnerable communities can exhibit distinct differences in their perspectives and priorities concerning environmental quality and impact as well as access to energy services. Literature and studies have shown that failure to understand gender and vulnerable community dimensions within environmental projects can potentially waste development resources and negatively affect environmental sustainability. In this regard, gender and vulnerable community perspectives, will, when possible, be incorporated during policy formulation by ensuring consultative processes include women, children, indigenous and community organizations as well as gender and specific community subject matter experts.

The project will also, where possible, ensure the representation of women and vulnerable communities during workshops and trainings as well as public awareness programmes, as supporting their role in educational activities will help these groups access the knowledge and skills they require to be active participants in other initiatives which address climate change. Where possible, their engagement throughout the project should be reported to monitor that their perspectives have been included to achieve the outcome of the project.

I. STRATEGY

Project rationale

The project will support the country's efforts on GHG reporting and management through the outcome and outputs targeted to be achieved by implementing the proposed activities. It will draw on the results of the past and ongoing initiatives to identify and select appropriate approaches to design the most feasible programme for the country.

Project scope

The project will focus on companies and other organisations in Malaysia. The accounting and reporting will cover the six GHG governed by under the Kyoto Protocol, i.e. carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Prioritisation on pilots will first be done during the inception phase and later be reviewed for a decision to ensure the necessary buy-in and ownerships of the targeted organisations.

Project objectives, outcomes and outputs/activities

The Project aims to advance GHG reporting and management by organisations in Malaysia, particularly those in the private sector. The objectives are to establish the framework to support GHG reporting by organisations in a standardised and internationally recognised manner as well as to mobilise and sustain participation of organisations in the long term. The outcome targeted is GHG reporting and management system that contributes to national mitigation initiatives and sustainable development goals. There are three specific Outcomes as follows:

- Outcome 1: Implementation framework and supporting instruments for the reporting programme is established.
- Outcome 2: Outreach and capacity building strategy is designed and implemented.
- Outcome 3: Pilot programme is conducted.

The following table shows the outcome, outputs and underlying activities of the proposed project:

Outcome	Output	Activities
Outcome 1: Implementation framework and supporting instruments for the reporting programme is established.	1.1 Institutional framework on NCGRP is strengthened.	<ul style="list-style-type: none">▪ Develop framework and guidelines with key stakeholders▪ Support the establishment of national NCGRP repository and database centre.▪ Build capacity of key agencies to operationalise the GHG reporting methodologies in consultation with key stakeholders.▪ Identify and support in developing appropriate enabling mechanism (including fiscal and financial incentives), and regulatory framework to ensure regular submission of disclosure information▪ Facilitate institutionalisation of GHG data disclosure▪ Develop sustainable framework on GHG disclosure data collection system from companies including the possibility of establishing necessary bills/acts where required

Outcome	Output	Activities
		<ul style="list-style-type: none"> ▪ Design a periodical review system for continuous improvement of the NCGRP
Outcome 2: Outreach and capacity building strategy is designed and implemented.	2.1 Increased awareness on NCGRP among GLCs and private sectors	<ul style="list-style-type: none"> ▪ Develop relevant mechanism and tools in support of public and private sectors government agencies to measure and record GHG emission of their mitigation actions. ▪ Develop communication strategies to promote widespread adoption of NCGRP ▪ Develop training manual/ guidelines in collaboration with relevant government agencies and centre of excellence. ▪ Prepare and disseminate relevant outreach materials and policy papers on NCGRP. ▪ Conduct regular dialogue and workshops in support of continuous interfacing of different stakeholders.
Outcome 3: Pilot programme is conducted.	3.1 Pilot NCGRP in the selected companies	<ul style="list-style-type: none"> ▪ Determine criteria for prioritisation of pilot NCGRP ▪ Prioritise high impact sectors and activities for demonstration ▪ Adoption of at least three (3) NCGRP within GLCs or private sectors ▪ Sharing on methodologies of disclosing GHG information for replication of ten (10) more companies

Country ownership

The Project is expected to provide further impetus to the country's voluntary aspiration for reducing GHG intensity by 2020 and beyond. It will support the Ministry of Natural Resources and Environment in implementing the National Policy on Climate Change, specifically on mitigation. The outcomes and outputs generated are input to respective ministries and agencies for designing the Eleventh Malaysia Plan (2016-2020). The project also will involve the main private sector associations and institutions and other stakeholders.

Project Institutional Arrangement

The Project will be based at NRE where a full-time National Project Manager (NPM) will be heading the project team and he/she will be reporting to the National Project Director (NPD) who is also the Undersecretary of Climate Change and the Environmental Conservation section of the NRE. The project team will consult the implementers of relevant ongoing projects and programs as mentioned in Stocktaking and Baseline Initiates section to ensure complementarity and to build on best practices and lessons learned. During the Inception Phase, numerous stakeholders' consultation activities will be organized to discuss the issues and concerns related to the development of programmes including its implementation and management arrangements. Direct reporting of the project outcomes will be made to NSC and finally to the sub-committee on National GHG Inventory established under the Climate Change and Green Technology Committee which the Prime Minister's is chairing. Establishing and strengthening linkages with such initiatives will help to ensure a more focused and regular consultations with stakeholders both at national and subnational levels.

Achieving successful result in the Project will require detailed planning and close communication among ministries which will be discussed further during the Inception Phase. Results-based reporting with close monitoring by UNDP and NRE will be emphasized as stated in section V: Management Arrangements.

Sustainability and Replicability

The outcomes of the Project integrate specific activities that guarantee their replicability and/or sustainability. It will advance GHG reporting and management by organisations in Malaysia, particularly those in the private sector. The framework to support GHG reporting by organisations in a standardised and internationally recognised manner will be established to mobilise and sustain participation of organisations in the long term.

Roles of Key Stakeholders in the Project

Stakeholder	Reasons for Inclusion	Role in the Context-Assessment Process
Ministry of Natural Resources and Environment (NRE)	<ul style="list-style-type: none"> National Focal Points to the UNFCCC and GEF, leading the country's delegation to international negotiation and coordinating national initiatives on climate change; NRE is the Designated National authority for CDM projects NRE was the Implementing Agency for 	<ul style="list-style-type: none"> Consultation & baseline data provider. Source for environment initiatives, CDM information, and aggregated GHG data

Stakeholder	Reasons for Inclusion	Role in the Context-Assessment Process
	<p>Initial National Communication and the Second National Communication projects.</p> <ul style="list-style-type: none"> • Lead partner, coordinator and facilitator for the Project • Recommend proposed policy tools for endorsement by the Government 	
Economic Planning Unit, Prime Minister's Department	<ul style="list-style-type: none"> • Overall policy direction on the implementation of National 5-year plan • Recommend 5-year development budget to Ministry of Finance • Facilitating adoption of national policies related to sustainable development and environment including outputs from the Project 	<ul style="list-style-type: none"> • Consultation & baseline data provider. • Cross-sectors policy convenor
Ministry of Energy, Green Technology and Water (MEGTW)	<ul style="list-style-type: none"> • Executer and guardian of the renewable energy, energy efficiency and green technology policies. • Guardian of the RE Act. • Responsible in promoting Low Carbon Cities Framework (LCCF) to the cities and local authorities. 	<ul style="list-style-type: none"> • Consultation & baseline data provider. • Source for aggregated energy data (National Energy Balance, national electricity supply and demand)
Ministry of International Trade and Industry	<ul style="list-style-type: none"> • Advice and formulate policies and planning related to industry and international trade. • Advise and formulate policies related to the import and use of green technology equipment including the use electric and hybrid vehicles. • Guardian of the National Automotive policy 	<ul style="list-style-type: none"> • Consultation & baseline data provider. • Source for AP and import/export of green technology equipment/devices including on electric vehicle data
Malaysian Green Technology Corporation	Coordination support, capacity development training and policy studies on green technology	<ul style="list-style-type: none"> • Consultation & baseline data provider. • Source for GHG data on energy, industry, buildings and CDM
Academic institutions	Policy research and studies to strengthen baseline data , impact analysis, etc.	<ul style="list-style-type: none"> • Consultation & baseline data provider. • Source for primary and secondary data on GHG, energy and waste

II. PROJECT RESULTS FRAMEWORK

UNDP Guidance: This logical framework is intended to be simple and succinct. Although it is optional, we believe it to be a valuable exercise for Project Management Unit to complete. The log frame should not exceed two pages. Please limit the information provided to a few bullet points.

<p>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.</p>				
<p>Country Programme Outcome Indicators: Reduction of GHG, participation of GHG disclosure by corporations and GLCs</p>				
<p>Primary applicable Key Environment and Sustainable Development Key Result Area: Catalyzing environmental finance</p>				
	Indicator	Baseline	Targets End of Project	Source of verification
Project Objective¹ Advance GHG reporting and management by organisations in Malaysia, particularly those in the private sector.	<ul style="list-style-type: none"> Adoption of national corporate GHG reporting programme. Number of corporations participated in the programme. 	<ul style="list-style-type: none"> Absence of national corporate GHG reporting programme. None. 	<ul style="list-style-type: none"> National corporate GHG reporting programme established. 3 corporates prepared GHG report. 	Reports
Outcome 1 Implementation framework and supporting instruments for the reporting programme is established.	<ul style="list-style-type: none"> Existence of framework on NCGRP Establishment of NCGRP Secretariat and Monitoring Center 	<ul style="list-style-type: none"> None None 	<ul style="list-style-type: none"> Framework established Secretariat established 	Reports
Outcome 2 Outreach and capacity building strategy is designed and implemented.	<ul style="list-style-type: none"> Number of seminars organized Number of assistance provided to corporations for GHG disclosure 	<ul style="list-style-type: none"> Once a year None 	<ul style="list-style-type: none"> 4 awareness seminar/s workshops per year 10 corporations received assistance from NCGRP secretariat 	Reports
Outcome 3: Pilot programme is conducted.	<ul style="list-style-type: none"> Number of corporations utilized and demonstrated NCGRP framework 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> 3 corporations piloted and prepared GHG disclosure report and followed the NCGRP framework 	Reports

¹ Objective (Atlas output) monitored quarterly ERBM

III. TOTAL BUDGET AND WORKPLAN

Award ID:	XXX	Project ID:	XXX
Award Title:	National Corporate GHG Reporting Programme (NCGRP) for MALAYSIA		
Business Unit:	MYSIO		
Project Title:	National Corporate GHG Reporting Programme (NCGRP) for MALAYSIA		
Implementing Partner (Executing Agency)	Ministry of Natural Resources and Environment (MNRE)		

TOTAL BUDGET

Outcome/Atlas Activity[1]	Responsible Party	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Total (USD)
OUTCOME 1: Institutional Framework	NRE		CS	71200	International Consultants	7,000	0	0	7,000
				71300	Local Consultants	7,000	7,000	7,000	21,000
				71600	Travel	2,000	2,000	2,000	6,000
				75700	Workshops / Trainings	10,000	10,000	10,000	30,000
				74500	Miscellaneous	1,000	1,000	1,000	3,000
				Subtotal	27,000	20,000	20,000	67,000	
OUTCOME 2: Awareness and Capacity Building	NRE		CS	71200	International Consultants	0	7,000	0	7,000
				71300	Local Consultants	7,000	7,000	7,000	21,000
				71600	Travel	2,000	2,000	2,000	6,000
				75700	Workshops / Trainings	10,000	20,000	15,000	45,000
				72800	IT Equipment	8,000	1,000	1,000	10,000
				74500	Miscellaneous	0	1,000	1,000	2,000
				Subtotal	27,000	38,000	26,000	91,000	
OUTCOME 3: Pilots	NRE		CS	71200	International Consultants	0	0	0	0
				71300	Local Consultants	7,000	7,000	7,000	21,000
				71600	Travel	2,000	2,000	2,000	6,000
				75700	Workshops / Trainings	0	0	10,000	10,000
				74500	Miscellaneous	0	1,000	1,000	2,000
				Subtotal	9,000	10,000	20,000	39,000	
Project Management, including Monitoring and evaluation	NRE / UNDP		CS	71405	Contractual Services - Individual (SB4)	20,000	40,000	40,000	100,000
				74500	Miscellaneous	1,000	1,000	1,000	3,000
				Subtotal	21,000	41,000	41,000	103,000	
PROJECT TOTAL						84,000	109,000	107,000	300,000

Annual Work Plan (AWP) - 2013

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
<p>Outcome 1</p> <p>Implementation framework and supporting instruments for the reporting programme is established.</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Existence of framework on NCGRP Establishment of NCGRP Secretariat and Monitoring Center <p><i>Baseline:</i></p> <ul style="list-style-type: none"> NCGRP Framework Absence NCGRP Secretariat Absence <p><i>Targets:</i></p> <ul style="list-style-type: none"> NCGRP Framework study completed NCGRP Secretariat completed and recommended <p><i>Related CP outcome:</i></p> <p>Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced</p>	<p><i>Activity Results:</i></p> <ol style="list-style-type: none"> Institutional framework for GHG Corporate Reporting is strengthened. NCGRP Secretariat established which results in efficient support, monitoring and tracking <p><i>Associated Actions:</i></p> <ul style="list-style-type: none"> Develop framework and guidelines with key stakeholders Support the establishment of national NCGRP repository and database center. Build capacity of key agencies to operationalise the GHG reporting methodologies in consultation with key stakeholders. Identify and support in developing appropriate enabling mechanism (including fiscal and financial incentives), and regulatory framework to ensure regular submission of disclosure information 					International Consultants	7,000	
						Local Consultants	7,000	
						Travel	2,000	
						Workshops / Trainings	10,000	
						Miscellaneous	1,000	
		x	x	x	x			
						NRE		

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET Budget Description	Amount (USD)
		01	02	03	04			
national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.								
Outcome 2							27,000	
Outreach and capacity building strategy is designed and implemented. <i>Indicator:</i> <ul style="list-style-type: none"> Number of seminars organized Number of assistance provided to corporations for GHG disclosure <i>Baseline:</i> <ul style="list-style-type: none"> Once a year No assistance provided <i>Targets:</i> <ul style="list-style-type: none"> 4 awareness seminar/s workshops per year 10 corporations received assistance from NCGRP secretariat <i>Related CP outcome:</i> Strengthened institutional capacity in managing climate change, including achieving both the	Activity Results: <ol style="list-style-type: none"> Number of seminars organized which leads to the increased awareness among corporations and GLCs Number of assistance provided to corporations for GHG disclosure which reflects the operational effectiveness of the NCGRP Secretariat and increased understanding of the public Establishment of effective communication strategy for NCGRP Associated Actions: <ul style="list-style-type: none"> Develop relevant mechanism and tools in support of public and private sectors government agencies to measure and record GHG emission of their mitigation actions. Develop communication strategies to promote widespread adoption of NCGRP 					Local Consultants Travel Workshops / Trainings IT Equipment	7,000 2,000 10,000 8,000	
		X	X	X	X			

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET Budget Description	Amount (USD)											
		Q1	Q2	Q3	Q4														
2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.																			
Outcome 3								27,000,54,000											
Pilot programme is conducted. <i>Indicator:</i> <ul style="list-style-type: none"> Number of corporations utilized and demonstrated NCGRP framework <i>Baseline:</i> <ul style="list-style-type: none"> Inexistence <i>Targets:</i> 1 corporation initiated and agreed to pilot and prepare GHG disclosure report and followed the NCGRP framework <i>Related CP outcome:</i> Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced	<i>Activity Results:</i> <ul style="list-style-type: none"> NCGRP framework successfully demonstrated in selected corporations resulting in increased transparency and disclosure of GHG generating activities <i>Associated Actions:</i> <ul style="list-style-type: none"> Determine criteria for prioritisation of pilot NCGRP Prioritise high impact sectors and activities for demonstration Adoption of at least 1 (one) NCGRP within GLCs or private sectors Sharing on methodologies of disclosing GHG information for replication of ten (10) more companies 																		
																		Local Consultants 7,000 Travel 2,000	

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		01	02	03	04		Budget Description	Amount (USD)
national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.								9,000
Outcome 4								
Project Management and Monitoring and Evaluation (M&E)							Service Contract	20,000
<i>Indicators:</i> Number of TWG organized Number of NSC organized	<i>Activity Results:</i> Timely project progress and reporting <i>Associated Actions:</i> - Project Manager is to provide day-to-day support to NRE and related agencies - UNDP officers to consult and follow up in providing technical information and backstopping exercise						Miscellaneous	1,000
<i>Baseline:</i> None								
<i>Targets:</i> Number of TWG organized: 2 Number of NSC organized: 1						NRE UNDP		
<i>Related CP outcome:</i> Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.								
TOTAL (2013) USD								21,000
								84,000

Annual Work Plan (AWP) - 2014

EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
<p>Outcome 1</p> <p>Implementation framework and supporting instruments for the reporting programme is established.</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Existence of framework on NCGRP Establishment of NCGRP Secretariat and Monitoring Center <p><i>Baseline:</i></p> <ul style="list-style-type: none"> NCGRP Framework Absence NCGRP Secretariat Absence <p><i>Targets:</i></p> <ul style="list-style-type: none"> NCGRP Framework initiated NCGRP Secretariat initiated <p><i>Related CP outcome:</i></p> <p>Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.</p>	<p><i>Activity Results:</i></p> <ul style="list-style-type: none"> Institutional framework for GHG Corporate Reporting is strengthened. NCGRP Secretariat established which results in efficient support, monitoring and tracking <p><i>Associated Actions:</i></p> <ul style="list-style-type: none"> Identify and support in developing appropriate enabling mechanism (including fiscal and financial incentives), and regulatory framework to ensure regular submission of disclosure information Facilitate institutionalisation of GHG data disclosure 						<p>Local Consultants 7,000</p> <p>Travel 2,000</p> <p>Workshops / Trainings 10,000</p> <p>Miscellaneous 1,000</p>	
		x	x	x	x			
						NRE		

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
Malaysia and the heart of Borneo.								
Outcome 3								38,000,58,000
Pilot programme is conducted.								
Indicator: • Number of corporations utilized and demonstrated NCGRP framework	Activity Results: • NCGRP framework successfully demonstrated in selected corporations resulting in increased transparency and disclosure of GHG generating activities						Local Consultants	7,000
Baseline: • Inexistence	Associated Actions: • Determine criteria for prioritisation of pilot NCGRP • Prioritise high impact sectors and activities for demonstration • Adoption of at least two (2) NCGRP within GLCs or private sectors • Sharing on methodologies of disclosing GHG information for replication of ten (10) more companies						Travel	2,000
Targets: 2 (Two) corporations piloted and prepared GHG disclosure report and followed the NCGRP framework							Miscellaneous	1,000
Related CP outcome: Strengthened institutional capacity including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.								
Outcome 4								10,000
Project Management and Monitoring and Evaluation	Activity Results: Timely project progress and reporting						Service Contract	40,000
							Miscellaneous	1,000

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		01	02	03	04		Budget Description	Amount (USD)
<p>(M&E)</p> <p><i>Indicators:</i></p> <p>Number of TWG organized</p> <p>Number of NSC organized</p> <p><i>Baseline:</i></p> <p>None</p> <p><i>Targets:</i></p> <p>Number of TWG organized: 2</p> <p>Number of NSC organized: 1</p> <p><i>Related CP outcome:</i></p> <p>Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.</p>	<p><i>Associated Actions:</i></p> <ul style="list-style-type: none"> - Project Manager is to provide day-to-day support to NRE and related agencies - UNDP officers to consult and follow up in providing technical information and backstopping exercise 							
TOTAL (2014) USD							41,000	109,000

Annual Work Plan (AWP) - 2015

EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
<p>Outcome 1</p> <p>Implementation framework and supporting instruments for the reporting programme is established.</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> Existence of framework on NCGRP Establishment of NCGRP Secretariat and Monitoring Center <p><i>Baseline:</i></p> <ul style="list-style-type: none"> NCGRP Framework Absence NCGRP Secretariat Absence <p><i>Targets:</i></p> <ul style="list-style-type: none"> NCGRP Framework established NCGRP Secretariat in operation <p><i>Related CP outcome:</i></p> <p>Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.</p>	<p><i>Activity Results:</i></p> <ul style="list-style-type: none"> Institutional framework for GHG Corporate Reporting is strengthened. NCGRP Secretariat established which results in efficient support, monitoring and tracking <p><i>Associated Actions:</i></p> <ul style="list-style-type: none"> Build capacity of key agencies to operationalise the GHG reporting methodologies in consultation with key stakeholders. Identify and support in developing appropriate enabling mechanism (including fiscal and financial incentives), and regulatory framework to ensure regular submission of disclosure information Facilitate institutionalisation of GHG data disclosure Develop sustainable framework on GHG disclosure data collection system from companies including the possibility of establishing necessary bills/acts where required Design a periodical review system for continuous improvement of the NCGRP 					Local Consultants Travel Workshops / Trainings Miscellaneous	7,000 2,000 10,000 1,000	
<p>Outcome 2</p>							20,000	

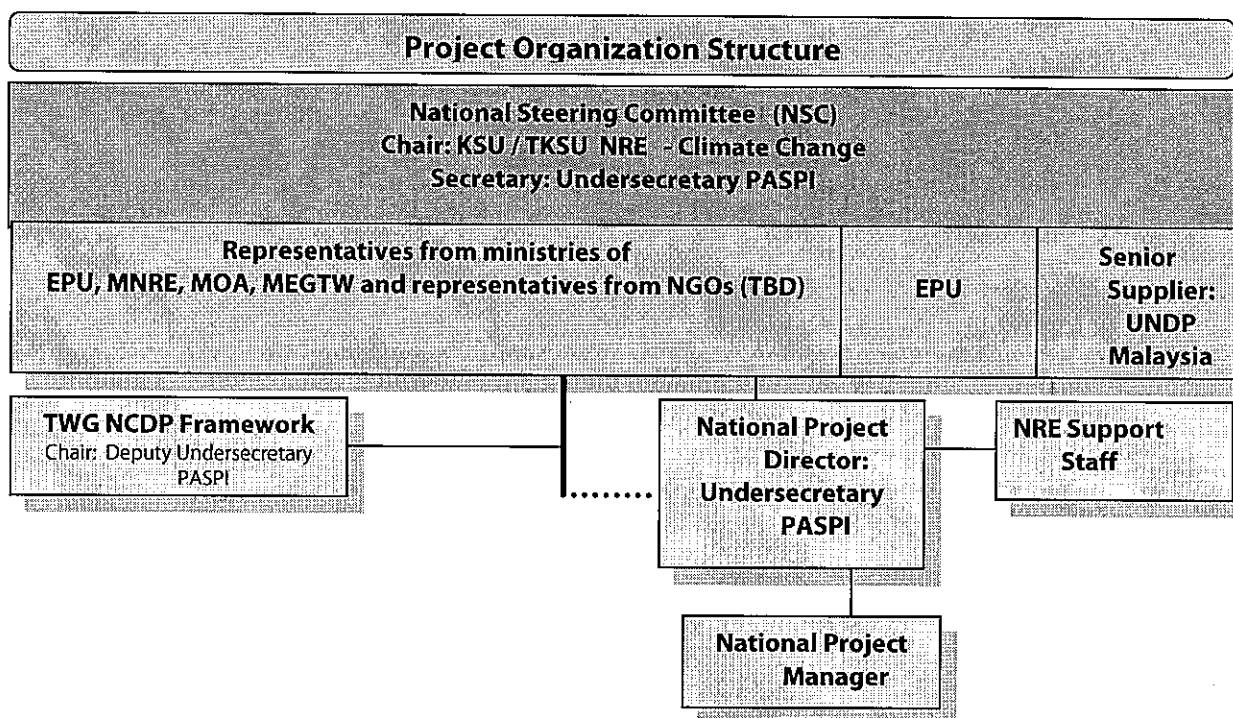
EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
<p>Outreach and capacity building strategy is designed and implemented.</p> <p><i>Indicator:</i></p> <ul style="list-style-type: none"> • Number of seminars organized • Number of assistance provided to corporations for GHG disclosure <p><i>Baseline:</i></p> <ul style="list-style-type: none"> • Once a year • No assistance provided <p><i>Targets:</i></p> <ul style="list-style-type: none"> • 4 awareness seminar/s workshops per year • 10 corporations received assistance from NCGRP secretariat <p><i>Related CP outcome:</i></p> <p>Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.</p>	<p><i>Activity Results:</i></p> <ul style="list-style-type: none"> • Number of seminars organized which leads to the increased awareness among corporations and GLCs • Number of assistance provided to corporations for GHG disclosure which reflects the operational effectiveness of the NCGRP Secretariat and increased understanding of the public • Establishment of effective communication strategy for NCGRP <p><i>Associated Actions:</i></p> <ul style="list-style-type: none"> • Prepare and disseminate relevant outreach materials and policy papers on NCGRP. • Conduct regular dialogue and workshops in support of continuous interfacing of different stakeholders. 					Local Consultants	7,000	
						Travel	2,000	
						Workshops / Trainings	15,000	
						IT Equipment	1,000	
						Miscellaneous	1,000	
		X	X	X	X			

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
Outcome 3							26,000,46,000	
Pilot programme is conducted.								
Indicator: • Number of corporations utilized and demonstrated NCGRP framework	Activity Results: • NCGRP framework successfully demonstrated in selected corporations resulting in increased transparency and disclosure of GHG generating activities						Local Consultants 7,000	
Baseline: • Inexistence	Associated Actions: • Determine criteria for prioritisation of pilot NCGRP • Prioritise high impact sectors and activities for demonstration • Adoption of at least three (3) NCGRP within GLCs or private sectors • Sharing on methodologies of disclosing GHG information for replication of ten (10) more companies						Travel 2,000	
Targets: 3 corporations piloted and prepared GHG disclosure report and followed the NCGRP framework							Workshops / Trainings 10,000	
Related CP outcome: Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.							Miscellaneous 1,000	
		X	X	X	X	NRE		
Outcome 4							20,000	
Project Management and Monitoring and Evaluation	Activity Results: Timely project progress and reporting							
		X	X	X	X	NRE UNDP	Service Contract 40,000	
							Miscellaneous 1,000	

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	
		Q1	Q2	Q3	Q4		Budget Description	Amount (USD)
<p>(M&E)</p> <p><i>Indicators:</i> Number of TWG organized Number of NSC organized</p> <p><i>Baseline:</i> None</p> <p><i>Targets:</i> Number of TWG organized: 2 Number of NSC organized: 1</p> <p><i>Related CP outcome:</i> Strengthened institutional capacity in managing climate change, including achieving both the 2015 renewable energy target of 5.5% of total electricity generation mix and an enhanced national framework for biodiversity management of the central forest spine in Peninsular Malaysia and the heart of Borneo.</p>	<p><i>Associated Actions:</i></p> <ul style="list-style-type: none"> - Project Manager is to provide day-to-day support to NRE and related agencies - UNDP officers to consult and follow up in providing technical information and backstopping exercise 							
TOTAL (2015) USD							41,000	107,000

IV. MANAGEMENT ARRANGEMENTS

The project will be governed by the National Steering Committee (NSC) and supported by the 2 Technical Working Groups (TWG). The details of the above structure will be further discussed in the inception period.



National Steering Committee (NSC)

A National Steering Committee will provide guidance and direction to the project implementation process according to the established detailed work plan monitoring tool. The Committee will be composed of representatives from EPU, MNRE, UNDP Malaysia, and other relevant stakeholders to be identified. The Chairperson of the NSC is the Secretary General or Deputy Secretary General of NRE. NSC will endorse the list of the proposed projects in the form of project ideas, concept or PIF. Refer Annex C for the TOR.

Technical Working Committee (TWG)

A technical working committee will be established to handle all technical matters relating to the project and will be chaired by the respective agencies head. The members of the TWG will consist of representatives from MNRE, UNDP and other relevant stakeholders to be determined by the National Steering Committee. 3 TWGs to be established are CC, Biodiversity and Land Degradation committees.. The overarching objective of the TWG is to screen the proposals.. Refer Annex C for the TOR.

National Project Director (NPD)

The National Project Director will be responsible for coordinating project activities among the main parties to the project. Among these responsibilities are ensuring that the project document and project revisions requiring Government’s approval are verified and processed through the Government co-ordinating authority in accordance with established procedures and providing direction and guidance on project-related issues. Refer Annex C for the TOR.

Project Assurance

The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures that appropriate project management milestones are managed and completed. Risk factors as in Annex II, will be periodically reviewed to ensure the risks are mitigated and manageable. Necessary actions to overcome any project challenges will be discussed as well. A UNDP Programme Officer will hold the Project Assurance together with a representative from the Malaysian Government.

Project Manager

The Project Manager is responsible in running the day-to-day coordination of the the project together with an identified officer of the implementing agency. The person ensures that the project produces the results specified in the project document to the required standard of quality and within the specified constraints of time and cost.

The Project Manager will be recruited and will report administratively and programmatically to both the NPD and UNDP. The person will assist in preparing progress reports in timely and required manner, and provide the information needed for disbursement of funds. The TOR is at Annex IV

Support Staff

Support staff for Project Manager and the NCGRP's secretariat will be provided by NRE on as need basis. This will include short-term secretariat services, photocopying, finalization of minutes for TWG and NSC and other administrative support where necessary.

Financial Management

Based on the approved AWP, UNDP will provide required financial resources to the Implementing Partner to carry out project activities during the annual cycle. Under the Harmonized Approach to Cash Transfer (HACT), the following modalities may be used:

- Direct cash transfers to the Implementing Partner, for obligations and expenditures to be made by them in support of activities;
- Direct payments to vendors and other third parties, for obligations incurred by the Implementing Partner;
- Reimbursement to the Implementing Partner for obligations made and expenditure incurred by them in support of activities

The FACE form as per Annex VI should be used for all of the above cash disbursements as well as for expenditure reporting.

The Implementing partner and Project Manager will work closely with UNDP to monitor the use of the financial resources and are accountable for

- Managing UNDP's/ CS resources to achieve the expected results
- Maintaining an up to date accounting system that contains records and controls to ensure the accuracy and reliability of financial information and reporting. Expenditures made should be in accordance with the, Annual Work Plans and budgets.

At the end of a quarter/year UNDP prepares a Combined Delivery Report (CDR) which records all disbursements made under the project for verification. The Implementing Partner and UNDP should sign this CDR.

A project revision shall be made when appropriate; to respond to changes in the development context or to adjust the design and resources allocation to ensure the effectiveness of the project provided that the project remains relevant to the Country Programme. A project revision shall be supported by the record of an approval decision made by the project NSC, and an updated and signed AWP.

UNDP Support Services

In addition, UNDP may/ shall provide the following services:

- a) identification and recruitment of project personnel;
- b) procurement of goods and services including project vehicle
- c) Identification of training activities and assistance in carrying them out

The above will be carried out based on UNDP policies and procedures following the principles of best value for money, fairness, integrity, transparency, and effective competition. UNDP shall charge to the project as per the Universal Price List where required.

UNDP will also charge for the support services provided as follows:

- a. 6% cost recovery for the provision of general management support (GMS) for activities funded under Government Cost sharing, if any
- b. Direct cost for implementation support services (ISS) for activities under TRAC funding, if any

In-Kind Contribution

In addition to the financial resources through UNDP, the implementing partner will provide the following in-kind contribution:

- Assist in gaining access to all relevant data and information required to for the project that is accessible for public viewing;
- Assist in coordinating with other agencies and ministries
- Office space (i.e. room/workspace) for the Project Manager, consultants and experts at NRE
- Use of office support facilities by the Project Manager,, consultants and experts (e.g. fax machine, stationary, Xerox machine, telephone), and secretarial support where applicable;
- Facilities for convening meetings, workshops and seminars.

Any reimbursable expenses can be borne by the project fund as agreed Annual Work Plan (AWP).

Activities related to Implementation of Nationally Implementation Modality (NIM)

The below encompasses in detail of each section related to the effective implementation of NIM modality.

Sections	Roles of IP	Roles of UNDP
Procurement of Equipment/ Venue for Workshops / Publications	Finalize Specifications, Sourcing and purchasing. Issuance of Letter of Authorization	Payment according to FACE
Procurement of Local Consultants	Finalize Terms of References (TOR)	Sourcing, Advertising and Issuance of Contracts as per UNDP IC guidelines
Procurement of International Consultants	Finalize Terms of References (TOR)	Sourcing, Advertising and Issuance of Contracts as per UNDP guidelines
Recruitment of Project Teams	<ul style="list-style-type: none"> • Finalize Terms of References (TOR). • For interim measures, government to issue Letter of Appointment 	<ul style="list-style-type: none"> • Sourcing, Advertising and Issuance of Contracts as per UNDP HR/SC guidelines • For interim measures, disbursement will be according to FACE from.
Travelling and use of Subsistence Allowance and others	<ul style="list-style-type: none"> • Finalize Agenda / Programme • Government staff to use government 's Subsistence Allowance (SA) and others as per the Government's procedures 	<ul style="list-style-type: none"> • Disbursement to Government's staff as per FACE from • UNDP staff to use available UN's rate inline with UNDP's guidelines

V. MONITORING AND EVALUATION FRAMEWORK

The project activities will be closely monitored by UNDP. In compliance with UNDP regulations, the following will be conducted:

a) Project Monitoring and Review Meetings

- **National Steering Committee Meetings**

The National Steering Committee (NSC) will meet after the receipt of each project report or at least twice a year, whichever is greater and address project issues raised by the Project Manager, review project progress reports and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to the project document. A final NSC meeting should also be held at the end of project completion to agree to and endorse the final findings and outcomes of the project and to make recommendations towards project closure.

- **Technical Working Group (TWG) Meetings**

The Technical Working Group Committee (TWG) will meet as regularly as required to assist the NSC in monitoring and advising the technical implementation of the project and its activities. The TWG acts as the technical advisors to the NSC, and regularly reviews the progress of all project components. TWG will recommend projects to be endorsed by NSC.

- **Annual Project Review Meeting**

This internal review meeting will be chaired by EPU during the fourth quarter of the year to assess the performance of the project based on the Annual Work Plan (AWP) submitted at the beginning of the calendar year as well as the Annual Progress Report submitted during the fourth quarter of each calendar year. The review will involve all key project stakeholders and the Implementing Partner, and will focus on the extent to which progress have been made towards achievement of the outputs and that they remain aligned to appropriate outcomes as outlined in the project document. This review should update output targets and results achieved. In the last year of the project, the review will be a final assessment.

- **Final Project Review Meeting**

A Final Project Review meeting will be conducted towards the end of the project completion. Its purpose is to assess the performance and success of the project. It should look at sustainability of the results, including the contribution to related outcomes (and the status of these outcomes) and capacity development. It will also review lessons learned and recommendations that might improve design and implementation of other UNDP-funded projects. The meeting will discuss the Final Project Review Report that should be submitted two weeks prior to the Final Project Review Meeting.

b) Progress Reporting Documents

- **Mid Year Progress Report (MYPR)**

A Mid Year Progress Report shall be prepared by the Project Manager, approved by NPD and shared with the NSC by 30 June of each project year. As a minimum requirement, the Mid Year Progress Report shall utilize the standard template for the Annual Project Report (APR) covering a six month period.

- **Annual Progress Report (APR)**

An Annual Progress Report shall also be prepared by the Project Manager and shared with the NSC by the end of the last quarter of each year. The Annual Progress Report shall highlight risks and challenges, the summary of results achieved, and lessons learnt of the project for that reporting year.

- **Final Project Review Report**

This document which is prepared by the implementing partner is a structured assessment of progress based on the chain of results initially defined in the Project Document and Annual Work plan (AWP) and will include information on financial allocations of expenditure. It may be supplemented by additional narrative to meet specific reporting needs of stakeholders, especially the donor(s). The following should be submitted together with the report:

- Lessons learnt log - summarizing the information captured throughout the implementation of the project
- Minutes of NSC meetings
- Minutes of TWG meetings
- Annual signed CDRs
- Statements of cash position (if applicable)
- Statements of assets and equipment

This report will be discussed at the Final Project Review meeting mentioned above.

- **Final Project Evaluation**

Project evaluation assesses the performance of a project in achieving its intended results. It yields useful information on project implementation arrangements and the achievement of outputs. It is at this level that direct cause and attribution can be addressed given the close causal linkage between the intervention and its effect or output. Project evaluation provides valuable information to support informed decision-making and serves to reinforce the accountability of the implementing agency. Depending on the purpose, project evaluations can be commissioned by the management at any time during the project cycle: at mid point, just before or after completion. They should ideally take place around the time of completing a project to determine the future of the project (e.g. continuation or termination of the project), to decide whether the concept should be scaled up or replicated elsewhere, and/or to generate lessons that are of strategic significance for the organization. The evaluation should be conducted by an independent consultant. This is only necessary upon request from donors and executing agency.

c) Financial Monitoring and Quality Assurance

- **Combined Delivery Reports**

The Combined Delivery Report (CDR) is the report that reflects the total expenditures and actual obligations (recorded in Atlas) of a Project during a period. This report is prepared by UNDP using Atlas and shared with the implementing partner on a quarterly basis and at the end of each year. The Implementing Partner is required to verify each transaction made and sign the quarterly issued CDR report. Statements of cash position as well as assets and equipment should also be submitted together with the CDR on a yearly basis.

Audit

Audit is an integral part of sound financial and administrative management, and of the UNDP accountability framework. The project will be audited at least once in its lifetime and in accordance with the threshold established for the annual expenditures by the Office of Audit and Investigations (OAI). The audit provides UNDP with assurance that resources are used to achieve the results described and that UNDP resources are adequately safeguarded

The selection of an Audit Firm shall be through a competitive Request for Proposals, in consultation with the Implementing Partner and EPU or if possible shall be performed by the National Audit Authority. UNDP procedures must be followed as per the specific Terms of Reference for Audits of NEX/NIM Projects.

The audit is expected to provide assurance related to the following broad areas:

- Project progress and rate of delivery (PP)
- Financial management (FM)
- Procurement of goods and /or services (PR)
- Human resource selection and administration (HR)
- Management and use of equipment and inventory (EQ)
- Record-keeping systems and controls (R)
- Management structure (MS)
- Auditors' comments on the implementation status of prior year audit

VI. LEGAL CONTEXT

This document together with the CPAP signed by the Government and UNDP which is incorporated herein by reference, constitute together a Project Document as referred to in the Standard Basic Assistance Agreement (SBAA); as such all provisions of the CPAP apply to this document. All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner", as such term is defined and used in the CPAP and this document.

Consistent with the Article III of the Standard Basic Assistance Agreement (SBAA), 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. To this end, 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 the Implementing Partner's obligations under this Project Document [and the Project Cooperation Agreement between UNDP and the Implementing Partner] .

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/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under/further to this Project Document".

VII. APPENDIX A: RISKS AND MITIGATION

Description	Type	Impact & Probability	Mitigation Measures
The value of US Dollars foreign exchange against the Ringgit may reduce during the project cycle.	Financial	Probability: Low Impact: Medium	There will be a need to regularly monitor the exchange rate to ensure that it does not affect the budget of the project. If there are major changes, the budget will be adjusted accordingly and approved by the NSC.
Lack of awareness from the public and private sectors on NCGRP concept and its definition	Management	Probability: Medium Impact: Medium	Aggressive promotional exercises will need to be organized. Having a comprehensive visibility programme and by engaging a full-time project coordinator/project manager in the project will help.
Weak support from the executing agency due to conflicting priority	Management	Probability: Low Impact: Medium	Consistent periodical meetings as laid out in the M&E will assist NRE to increase communication and oversight to the project
Gaps in terms of baseline data may still exist.	Others	Probability: Medium Impact: High	There will be a need to consult relevant agencies in identifying the gaps and address it.

VIII. APPENDIX B: UNDP ANNUAL WORK PLAN MONITORING TOOL

Together with project issue/ risk logs, the following AWP Monitoring Tool should be used for the project review purpose.

Expected Outputs and Indicators: List all CP outputs and indicators, including annual targets

Planned Activities: List all the activities including monitoring and evaluation activities, including evaluations, field monitoring visits, technical backstopping missions, and audits to be undertaken during the year towards stated CP outputs

Expenditures: List actual expenditures against activities complete

Results of Activities: For each activity, state the results of the activity

Progress towards Achieving CP Outputs: Using data on annual indicator targets, state progress towards achieving the CP outputs. Based on the updated project issue/risk logs, comment on factors that facilitated and/or constrained achievement of results including:

- Whether risks and assumptions as identified in the CP M&E Framework materialized or whether new risks emerge
- Internal factors such as timing of inputs and activities, quality of products and services, coordination and/or other management issues

The Annual Work Plan (AWP) Monitoring Tool

Year _____

CP Component _____
 Implementing Partner _____

EXPECTED OUTPUTS AND INDICATORS including annual targets	PLANNED ACTIVITIES List all the activities including monitoring and evaluation activities to be undertaken during the year towards stated CP outputs	EXPENDITURES List actual expenditures against activities completed	RESULTS OF ACTIVITIES For each activity, state the results of the activity	PROGRESS TOWARDS ACHIEVING OUTPUTS Using data on annual indicator targets, state progress towards achieving the CP outputs. Where relevant, comment on factors that facilitated and/or constrained achievement of results including: <ul style="list-style-type: none"> ▪ Whether risks and assumptions as identified in the CP M&E Framework materialized or whether new risks emerged ▪ Internal factors such as timing of inputs and activities, quality of products and services, coordination and/or other management issues
OUTPUT 1: INDICATOR 1.1 WITH TARGET FOR THE				

YEAR: INDICATOR 1.2 WITH TARGET FOR THE YEAR:					
INDICATOR 1.3 WITH TARGET FOR THE YEAR:					
OUTPUT 2: INDICATOR 2.1WITH TARGET FOR THE YEAR: ETC.					

IX. APPENDIX C: TERMS OF REFERENCES

Terms of Reference: National Steering Committee (NSC)

The National Steering Committee (NSC) will monitor the conduct of the project and provide strategic guidance to the project team on the implementation of the project. The NSC will be chaired by the Secretary General or Deputy Secretary General of NRE

Members of the NSC may include EPU (International Cooperation), MNRE, MoA, MEGTW, MOF, DOS and other related agencies. The NSC will meet at least once a year or when necessary. The NSC will have the following duties and responsibilities:

- Provide policy guidance on matters pertaining to the implementation of the project;
- Monitor and evaluate the implementation of the project towards fulfilment of the objectives stated in the project document;
- Review, approve and endorse proposed work plan and budget or any change of activities and budget;
- Initiate remedial actions to overcome all constraints in progress of the project;
- Review and approve relevant changes to the project design;
- Endorse the GHG reporting framework for adoption
- Endorse any project outputs as stipulated in the project document
- Coordinate the roles of the various organizations involved in the execution of the project and ensure harmony with related activities;
- Advice on the long term sustainability strategy of the project;
- Review and approve all related reports to the projects.

TERMS OF REFERENCE: Technical Working Group (TWG)

The Technical Working Group (TWG) will assist the NSC in monitoring and guidance on the implementation of the project as per given thematic area. The TWG will act as technical advisor to the NSC. The members of the TWG will consist of representatives from the EPU (ENRES and Energy), MNRE, MEGTW, UNDP and other relevant stakeholders to be determined by the NSC.

Common responsibilities for the TWG

- Provide guidance and decisions on matters pertaining to the technical aspects of the project such as the data collection exercise, lists of projects, priority mechanism, promotion strategy and other activities to ensure that they meet with the objectives set in the project document and with international good practices and standards ;
- Monitor and evaluate the technical implementation of the project towards fulfilment of the objectives stated in the project document;
- Review and comment on the proposed technical work plan and budget and AWP; and
- Regular monitoring of the progress of the project and recommend approved technical reports to the NSC
- Review policy recommendations to be endorsed in the NSC
- Besides NPD, the chairperson of the TWG will be mandated to approve financial transaction related to its thematic activities

TERMS OF REFERENCE: National Project Director (NPD)

National Project Director is a senior staff member of the Government of Malaysia's implementing agency of a UNDP-supported project. His/her main responsibility is to coordinate project activities among the main parties to the project: the Government co-coordinating authority, the consultant, and UNDP.

Specifically, he/she works in close collaboration with the Project Manager as well as UNDP and his/her responsibilities include:

- Endorse recommendations on GHG reporting framework and a sample template as stipulated in the project documents
- Ensure that the project document and project revisions requiring Government's approval are processed through the Government co-ordinating authority, in accordance with established procedures;
- Preparing work plans in discussion with the Project Manager, UNDP and consultants;
- Mobilizing national institutional mechanisms for smooth progress of project;
- Reviewing project status reports;
- Providing direction and guidance on project-related issues;
- Providing advice and guidance to the project team.
- Approve financial transaction where appropriate.
- Report project progress and financial status for endorsement by NSC

TERMS OF REFERENCE: Project Manager

The Project Manager will be primarily focused on the administrative, financial and operational aspects of the project. The person role is to provide managerial support and coordinates the implementation of various NCGRP activities in ensuring quality and timeliness of activities and delivery of outputs.

The specific tasks of the Project Manager are:

- Liaise and work closely with the project partners and beneficiaries
- Prepare and submit report regularly to NPD, the NSC and TWG on the project's progress
- Maintain close contact with designated focal points from UNDP and other stakeholders, indicating any estimated changes to the work plan, and proposing a budget revision when appropriate
- Ensure that the requisite allocations are available in accordance with the agreed budget and established schedules of payment, if any, in consultation with EPU and UNDP
- Analyze and review consultant's report and/or propose possible intervention for recommendation to NPD for approval
- Coordinate and facilitate the work of multiple component teams engaged in the implementation of project activities
- Work closely with UNDP in drafting and preparation of relevant Terms of Reference (TOR) for consultants / project advisors.
- Monitor the project funds and resources. Prepare progress and financial reports of the project when required.
- Maintain an up-to-date accounting system and information system to ensure accuracy and reliability of country reporting
- Be actively involved in the preparation of relevant knowledge products (including publications and reports)
- Where necessary and upon advice by UNDP, perform the function of ATLAS External User, creating requisitions and vouchers, and other relevant ATLAS processes

Duration: Two years

Reports to: National Project Director, under the guidance of UNDP and NRE

Qualifications and skills:

- Master's degree or equivalent in Environmental Science, Engineering, Business or a related discipline. Bachelors degree with sufficient project management experience will be considered.
- At least 3 year's experience and has a deep understanding of UNDP procedures and government's inter relationship, especially in implementing climate change mitigation programme.
- Knowledgeable in GHG reporting is preferable
- Project management experience with government and industries will be an asset. Candidate must be able to multitask and work independently.
- Be proactive, energetic, committed and innovative
- Have good interpersonal skills, diligent, open-minded and dedicated. Flexible and mature person.
- Excellent writing and organization skills. Strong command of English and Bahasa Malaysia.

X. APPENDIX D: PROJECT ANNUAL REPORT TEMPLATE

DATE:

Award ID:

Description:

Implementing Partner:

Period Covered:

1. Project Issues:

Status of Project Risks:	Open Project Issues:
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2. Project Performance

OUTPUT 1:						
ID						
Description:						
YYYY target:						
YYYY Achievement:						
Activity ID:						
Deliverable Description:						
Start and End Date:						
% Progress to date						
Quality Criteria		Date	Results of Activities			
			User Perspective	Resource Status	Timeliness	
Financial						
Account	Fund	Donor	R. Party	Budget	Expenditure	Balance
OUTPUT 2:						
Project ID						
Description:						
YYYY Target:						
YYYY Achievement						
Activity ID:						
Deliverable Description:						
Start and End Date:						
% Progress to date						
Quality Criteria		Date	Results of Activities			
			User Perspective	Resource Status	Timeliness	
Financial Summary						
Account	Fund	Donor	R. Party	Budget	Expenditure	Balance

3. Lessons Learned

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