

**STRENGTHENING JAMAICA'S CAPACITY TO MEET TRANSPARENCY REQUIREMENTS UNDER THE  
PARIS AGREEMENT**

**JA-T1165**

**CERTIFICATION**

I hereby certify that this operation was approved for financing under the **Capacity Building Initiative for Transparency Trust Fund (CBT)**, through a communication dated November 7, 2019 and signed by Brady Martin (ORP/GCM). Also, I certify that resources from said fund are available for up to **US\$1,300,000.00** in order to finance the activities described and budgeted in this document. This certification reserves resource for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, represent a risk that will not be absorbed by the Fund.

Certified by:

Original Signed

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Sonia M. Rivera

Chief

Grants and Co-Financing Management Unit  
ORP/GCM

11/11/2019

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Date

## TC DOCUMENT

### 1. Basic Information for TC

▪ Country/Region:	Jamaica
▪ TC Name:	Strengthening Jamaica's Capacity to Meet Transparency Requirements under the Paris Agreement
▪ TC Number:	JA-T1165
▪ Team Leader/Members:	Gerard Alleng (CSD/CCS) Team Leader; Anaitée Mills, (CSD/CCS); Pilar Jimenez De Arechaga (LEG/SGO); Angelo Angel (CSD/CCS); Sheries Ruddock (CCB/CJA); Napoleao Dequech (CSD/CSD); Marco Buttazzoni (CSD/CCS); Juan Gomez (CSD/CCS); Naveen Jainauth-Umrao (VPC/FMP); Leon Ferguson (VPC/FMP); Rene Herrera (VPC/FMP); Martin Nesbeth (CCB/CJA);
▪ Taxonomy:	Client Support
▪ Date of TC Abstract authorization:	March 13, 2019
▪ Beneficiary:	Jamaica
▪ Executing Agency:	Ministry of Economic Growth and Job Creation
▪ Donors providing funding:	Capacity Building Initiative for Transparency of the Global Environment Facility (GEF-CBIT)
▪ IDB Funding Requested:	US\$1,300,000
▪ Local counterpart funding, if any:	N/A
▪ Disbursement period:	24 Months
▪ Required start date:	July 2019
▪ Types of consultants:	Firms and Individual Consultants
▪ Prepared by Unit:	Climate Change Division (CCS/CSD)
▪ Unit of Disbursement Responsibility:	IDB Country Office Jamaica (CJA)
▪ TC included in Country Strategy:	Yes
▪ TC included in CPD:	Yes
▪ Alignment to the Update to the Institutional Strategy 2020-2023:	Productivity and innovation, institutional capacity and the rule of law, and climate change and environmental sustainability

### 2. Objectives and Justification of the TC

2.1 Jamaica is a Small Island Developing State (SIDS) situated in the Caribbean Sea, which is particularly vulnerable to the impacts of climate change (sea level rise, eroding coastlines, intensity of extreme weather events, and drought). The State of the Jamaican Climate Report 2012-2015 concluded that mean temperatures show an increasing linear trend at a rate of 0.16°C per decade, which is consistent with regional and global trends.<sup>1</sup> Climate projections from both Global Climate Models (GCM) and downscaled Regional Climate Models predict an increase in temperatures year-round with variations between coastal and non-coastal regions. Future predictions emphasize mean temperatures increase from about 0.42-0.46°C by the 2020s and from 0.87-1.74°C by the 2050s. Rainfall patterns will show

<sup>1</sup> State of the Jamaican Climate Report 2012-2015. Climate Studies Group Mona Department of Physics University of the West Indies.

decreasing trends with dryer conditions according to GCM, ranging from 2% by 2020 to 10% by 2050.<sup>2</sup>

- 2.2 Jamaica has experienced several storms and hurricanes in the past decade with severe flooding damage, loss of lives, and destruction. These climate impacts are further compounded by socio-economic issues such as poverty, human settlements located in highly vulnerable and natural hazard prone areas, environmental degradation, and poorly designed and built key infrastructure and housing. Undeniably, under these special circumstances, Jamaica will need to mobilize and access much more international financing and capacity support to be able to adapt to and mitigate the impacts of climate change.
- 2.3 As a signatory to the United Nations Framework Convention on Climate Change (UNFCCC), and as a Non-Annex I Party to the Convention, Jamaica has played a key role in international negotiations advocating for adequate funding for SIDS. Despite not being a major emitter of greenhouse gases (GHG), Jamaica is playing its part in the reduction of GHG emissions through “no regret” mitigation actions, as well as fulfilling the UNFCCC’s requirements on transparency reporting by submitting several reports —e.g. the Biennial Update Report from among the Latin American and Caribbean SIDS— and by becoming a Party to the Paris Agreement in May 2017. Jamaica also submitted its Third National Communication to the UNFCCC in January 2019. These submissions reflect the strong commitment of the country to ensure a sustainable, accurate and reliable transparency framework.
- 2.4 Article 13 of the UNFCCC Paris Agreement provides for an enhanced transparency framework aiming to build mutual trust, as well as the effective implementation of the actions identified under the Nationally Determined Contribution (NDC). Jamaica’s NDC covers actions to reduce GHG emissions (i.e. carbon dioxide, methane, nitrous oxide, nitrogen oxides, carbon monoxide, non-methane volatile organic compounds, and sulphur dioxide) across the energy sector by 7.8% (under an unconditional contribution) by 2030, below a business as usual baseline.<sup>3</sup> To date, Jamaica is neither sufficiently prepared to monitor, report and verify mitigation and adaptation actions, related policies and corresponding finance in a concise and robust manner, nor efficiently able to generate forecasting scenarios and strategic information (economic, investment, technological, etc.) for policy-makers needed to support transformational change. Other challenges include: (i) the current institutional arrangements are not formalized into long term agreements; (ii) there is a significant lack of reliable and accurate data; (iii) poor methodological sophistication; and (iv) limited local technical capacities and expertise. The outputs of the Jamaican National Communications, Biennial Update Reports and NDC have identified the capacity constraints in Jamaica, which need to be addressed to enhance the ability of the country to respond to the reporting requirements of the Paris Agreement.
- 2.5 The main objective of this project is to strengthen Jamaica’s transparency framework through the design and implementation of a fully functional and harmonized domestic Monitoring, Reporting and Verification (MRV) system for the effective implementation of the country’s NDC and other transparency-related activities.
- 2.6 The project is aligned with Jamaica’s national priorities and development planning such as the *Jamaican National Development Plan Vision 2030*. The project will

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<sup>2</sup> Government of Jamaica (2018), Third National Communication of Jamaica to the United Nations Framework Convention on Climate Change.

<sup>3</sup> Government of Jamaica (2015). Intended Nationally Determined Contribution of Jamaica to the UNFCCC.

contribute directly to Jamaican National Energy Policy, as it will help build relevant capacities and provide comprehensive data, which can be used for energy planning and the development of renewable energy projects. The project is also aligned to Jamaica's [National Policy for Gender Equality](#), which allows the mainstreaming of gender considerations into public policies, programs and projects.<sup>4</sup> This project will seek to achieve gender equality in the participation of government officials, university students and non-governmental organizations in all capacity building activities, through the implementation of a project [Gender Action Plan](#), which will aim to generate the required expertise in the collection and reporting of transparency related data at the national level. The project will seek to also track sex-disaggregated data and ensure an equal gender participation in the strategic direction of national transparency related activities.

- 2.7 This operation is consistent with the Update to the Institutional Strategy 2010-2020 (AB-3008), and is aligned with the development challenge of productivity and innovation, as it: (i) promotes the adoption of new technologies methodologies in the region; and (ii) supports efforts to increase transparency and integrity of the country's climate data, which in turn increases resource mobilization and helps address the economic and social impacts of climate change. The project is also aligned with the cross-cutting themes of climate change and institutional capacity and the rule of law, as strengthening institutional capacities in terms of transparency and reliability of the collection and reporting of the country's climate data, enables the Jamaican Government to better enforce its climate legislation, as well as achieve its objectives defined in the context of the Paris Agreement. Additionally, the operation is aligned with the Corporate Results Framework 2016-2019 (CRF) (GN-2727-6), as it intends to provide relevant Jamaican institutions with tools and knowledge that will facilitate the implementation of standardized methodologies for the accounting and reporting of national and subnational climate related data.<sup>5</sup>
- 2.8 The project is also aligned with the IDB Integrated Strategy for Climate Change Adaptation and Mitigation (GN-2609-1) and its Action Plan (GN-2609-3), as well as with the Country Strategy with Jamaica (2016-2021) under the cross-cutting area of resilience to climate shocks (GN-2868).

### **3. Description of Activities/Components and Budget**

- 3.1 **Component 1. Strengthening of Jamaica's transparency framework as described in Article 13 of Paris Agreement (US\$123,000).** This component will support the identification of institutional gaps to enhance inter-institutional coordination, establish guidelines and protocols and provide strategic direction to national transparency activities. Other objectives include strengthening and enhancing national inter-agency institutional arrangements for long-term planning and timely reporting of transparency-related activities. There will be a capacity building needs and gaps assessment conducted of the institutional enabling environment for transparency, a mapping of stakeholders involved and required to enforce the system and a comprehensive assessment of on-going initiatives at the national, sub-national and sectoral levels to integrate, monitor and track results, and

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<sup>4</sup> The GAC was mandated, through a consultative process, to identify a strategy consistent with Caribbean Community's (CARICOM) gender mainstreaming strategy and other relevant international commitments, for addressing obstacles to gender equality and the empowerment of women in key sectors of the society.

<sup>5</sup> CRF Country Development Results Indicator N° 25: "Government agencies benefited by projects that strengthen technological and managerial tools that improve public service delivery".

better identify gaps for long-term planning. Outputs from this component include the establishment of the National Transparency Working Group for transparency-related activities to review data collection protocols, ensure quality and track progress of Jamaica's ambition under the Paris Agreement.

**3.2 Component 2. Improving Jamaica's technical capacity to establish a robust domestic MRV system (US\$560,000).** This component will focus on the improvement and integration of existing systems and will support the development of harmonized methodologies and tools for which the national transparency processes will be guided. The project will ensure the efficient and innovative design of accounting rules, reporting guidelines, tools and verification mechanisms which will be essential for an accelerated and effective implementation of Jamaica's NDC, and that such progress is timely communicated in attention to international standards. This component will also seek to identify the appropriate, feasible and most cost-effective technology architecture to collect, store and manage climate transparency related country data; as well as digitalize stocktaking, climate finance tracking and knowledge management. The project will seek to encourage, explore and apply, if feasible, emerging technologies (Distributed Ledger Technology (DLT) –i.e. blockchain) to support climate action<sup>6</sup> strengthen MRV, improve transparency and traceability, and build trust among climate actors and stakeholders. Outputs from this component include: (i) a comprehensive enabling technologies assessment to inform the design and integration of existing systems<sup>7</sup> into a full digital system; (ii) the creation and/or enhancement of national transparency inventory data management processes and harmonized national dataset digital guideline;<sup>8</sup> and (iii) a Geographic Information System (GIS) to map and analyze mitigation and adaptation projects, programs and initiatives that are ongoing throughout Jamaica and to track their sources of financing. These combined features will result in an integrated system encompassing tools, processes and teams towards the consolidation of all aspects of the MRV system.

**3.3 Component 3. Improving knowledge sharing and capacity building for the effective coordination amongst national agencies in the implementation of transparency-related activities (US\$500,000).** This component seeks to increase knowledge about GHG inventory processes across government entities (sectoral, subnational, etc.), improve knowledge management, provide MRV system management training to complement Component 2 and provide additional capacity building. For this purpose, the project team will work closely with the Knowledge, Innovation and Communications Sector of the IDB to inform the design of the material for on-line training. Furthermore, this component's resources will facilitate the creation of a Centralized National Climate Knowledge Platform (CNKT), which will be the umbrella technological platform where the various aspects of the MRV process will be featured, including all public information relating to key transparency initiatives in Jamaica, and will help spearhead its integration into policy and decision-making. Most importantly, based on lessons learned on MRV and datasets,

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<sup>6</sup> [International based research initiatives](#) are exploring how DLT infrastructure can help managing MRV processes at sovereign levels and valuing avoided emissions.

<sup>7</sup> A technology infrastructure needs assessment report was conducted to determine the information and technology status and availability at relevant sites, towards making a best determination of hardware infrastructure and software needs for the digitalization of transparency processes.

<sup>8</sup> Jamaica has a Beta version of a GHG Inventory Database Management System, which intends to store activity data, emissions factors and calculations used to estimate GHG emissions. This TC will seek to evaluate and improve its functionality and integrate it into one digital solution for all aspects of MRV.

this platform will ensure the continuity of the institutional memory and strengthen the system’s role beyond potential human capital turnover. An important element of this component also is to establish a national training program for government officials, university students and non-governmental organizations about the Intergovernmental Panel on Climate Change’s guidelines for national GHG inventories and carbon accounting. The IDB will also work closely with a local reputable academic institution to establish an advanced professional certificate program to ensure that there will be a cadre of trained professionals on GHG inventories and other related key topics.<sup>9</sup> Outputs from this component include a digital platform for transparency, a national electronic guidebook on transparency management processes and a national training program.

- 3.4 Regarding the project’s M&E —in line with GEF and IDB policies, a mid-term evaluation will be carried out including adaptative management recommendations, a final evaluation and the progress assessment of the [GEF Tracking Tools](#).
- 3.5 The total cost of this TC is US\$1,300,000, financed by the Capacity Building Initiative for Transparency of the Global Environment Facility (GEF-CBIT). The [GEF CEO Document](#) outlines the costs of the activities within each component.

**Indicative Budget (US\$)**

<b>Component</b>	<b>IDB Funding</b>	<b>Counterpart</b>	<b>Total</b>
1. Strengthening Jamaica's transparency framework per Article 13 of the Paris Agreement	123,000	0	123,000
2. Improving Jamaica's technical capacity to establish a robust MRV system	560,000	0	560,000
3. Improving knowledge sharing and capacity building for the coordination of national agencies in transparency-related activities.	500,000	0	500,000
Project Administration	85,000		85,000
Monitoring and Evaluation	32,000		32,000
<b>Total</b>	<b>1,300,000</b>	<b>0</b>	<b>1,300,000</b>

#### **4. Executing Agency and Execution Structure**

- 4.1 The executing agency will be the Climate Change Division (CCD) of the Ministry of Economic Growth and Job Creation (MEGJC) for this expert work in enhancing transparency frameworks under the Paris Agreement. At the request of the Government of Jamaica, the IDB will take on the implementation role of the project. The Climate Change Division of the IDB will be in charge of the implementation as described in the [GEF Guidelines on the Project and Program Cycle Policy](#), in collaboration with the IDB Country office in Jamaica (CJA).<sup>10</sup> CJA will promote the active participation, technical orientation and engagement of CCD in the MEGJC, considering the importance of the coordination with the national entities to address the capacity building needs of Jamaica. The IDB will work in close collaboration with CCD of the MEGJC so as to help it build the capacity to undertake future climate change related project monitoring work. The monitoring and evaluation of the project

<sup>9</sup> Other training topics to be considered may include policy and financing of low/zero carbon projects, technology roadmaps, human capital inventories, NDC implementation, etc.

<sup>10</sup> According to the GEF: (i) a GEF [implementing] Agency is responsible for the implementation of the project, which entails the oversight of project execution to ensure it is carried out in accordance with agreed standards and requirements; and (ii) the executing entity receives project-specific GEF funding from a GEF Agency to execute a GEF project under the supervision of the same GEF Agency (Guidelines on the Project Cycle Policy, GEF 2017).

will be the responsibility of both the CCD and the IDB. A project management unit (PMU), responsible for overseeing and monitoring the day to day activities of the project will be hired with project resources by the CCD and will be based in its offices at the MEGJC. The MEGJC<sup>11</sup> has previous experience in the execution of IDB projects, as it is responsible for the operation JA-L1048/JA-G1002, which is currently in satisfactory state (using the PMR Simulator). An [institutional assessment of the capacity of the ministry](#) to execute projects was done for the current loan/grant operation.

- 4.2 The CCD will follow the procurement policies and guidelines of the IDB related to hiring processes: (i) individual consultants will be hired in accordance with the guidelines set out in policy AM-650; (ii) consulting firms of an intellectual nature only will be hired in accordance with the “Policy for the Selection and Contracting of Consulting Firms for Bank-executed Operational Work” (GN-2765-1) and its related Operational Guidelines (OP-1155-4); and (iii) logistics and other related services in accordance with the “IDB Corporate Procurement Policy” (GN-2303-20). MEGJC in its capacity as agency responsible for economic growth and sustainable development in Jamaica plays a monitoring role to ensure adherence to policies and operations of its constituent agencies. This role will be instrumental in the establishment of the MRV framework and system.
- 4.3 A project manager and an administrative assistant will be hired based on the requirements for support staff as needed. The project manager will coordinate the delivery of all the project activities and act as liaison between the project stakeholders. The project manager will also be responsible for monitoring progress against the implementation plan, budgeting and reporting and act as secretary of the Project Steering Committee

## 5. Major Issues

- 5.1 The risks associated with the project are outlined in the table below.

Project Risk	Rating	Mitigation Action
<b>Institutional</b>		
Difficulty in formalizing long-term agreements for transparency-related processes and activities	High	The creation of a National Transparency Working Group supports the formalization of the long-term agreements. This mechanism will facilitate discussion among the key sector entities and will ensure ownership by all entities involved.
Lack of inter-institutional coordination and collaboration	High	The project will include an inception workshop to sensitize all stakeholders on the need for a harmonized approach. In addition, the establishment of the National Transparency Working Group will be the key mechanism to improve coordination among sectors. Also, the Climate Change Focal Point Network can be instrumental in addressing any inter-institutional coordination and collaboration issues that may arise.

<sup>11</sup> The MEJGC was previously known as the Ministry of Water, Land, Environment and Climate Change (MWLECC).

Project Risk	Rating	Mitigation Action
<b>Political</b>		
Lack of political willingness and buy-in from Government/Ministries to ensure the MRV system is given support and prioritization to ensure sustainability	High	Engagement with Government/Ministries throughout the project highlight the international importance and the benefits the project will provide in supporting the development and tracking of national mitigation and adaptation actions. This will be achieved through workshops, presentations, media coverage and/or meetings. Component 3 will also target decision-makers for knowledge and awareness.
Expert staff turnover within the MEGJC due to political changes	Medium	Component 3 will seek to provide training and capacity building activities to public personnel among agencies as well as the academia to broaden the local expertise. The project will also generate knowledge products, guidelines and tools to ensure sustainability.
<b>Technical</b>		
There is a risk relating to the non-harmonization of ITE technologies applied across the government ministries, agencies and departments.	Medium	Early engagement of government entities responsible for technology, innovation and the strategic implementation of IT solutions and enhanced collaboration across government ministries, agencies and departments, to streamline and harmonize the use of ITE technologies, through project meetings.
<b>Environmental</b>		
There is a risk on the CNKT platform to be affected/interrupted by an extreme climatic event.	Medium	The project ICT specifications will require the implementation of a cloud-based back-up management system in order to avoid any loss of valuable data in the event of loss of power.

## 6. Exceptions to Bank Policy

6.1 There are no exceptions to the Bank Policy.

## 7. Environmental and Social Strategy

7.1 Given the nature of the project, there are no associated environmental or social risks. Per the Environment and Safeguards Compliance Policy of the Bank (OP-703), the operation has been classified as “Category C”, meaning that no environmental assessment studies or consultations are required (see the [Safeguard Policy Filter](#) and the [Safeguard Screening Form](#)).

### Required Annexes

- Annex I: [Letter of Request](#)
- Annex II: [Results Matrix](#)
- Annex III: [Terms of Reference](#)
- Annex IV: [Procurement Plan](#)