

## **Appendix C: Terms of Reference**

### **I. PROJECT BACKGROUND INFORMATION**

Malaysia has ratified both the United Nations Framework Convention on Climate Change (UNFCCC) in July 1994 and Kyoto Protocol in September 2002. Further to those ratifications, Malaysia is obliged to act on the following, in accordance to several requirements stipulated in the UNFCCC:

- Prepare inventories of greenhouse gas (GHG) emissions and sources for reporting to the UNFCCC;
- Formulate programmes containing measures to mitigate climate change and promote sustainable development;
- Prepare and develop plans for adaptation to impacts of climate change;
- Promote research, cooperation, information, training and awareness activities.

In response to the obligation to UNFCCC, Malaysia, through Ministry of Science, Technology and Environment (MOSTE), has submitted the Initial National Communication (INC) to UNFCCC Secretariat in July 2000. The submitted document comprises of National Inventory, impacts of climate change on the nation, and programmes of relevance to climate change. Preparation of the INC was conducted with the support of GEF's fund, through UNDP as the implementing agency.

The project for preparation of the Second National Communication (NC2) is a continual step towards further implementation of the UNFCCC at national level and in compliance to the Article 12 of the Convention. Its main objective is preparing a comprehensive report on the climate change related issues. In addition, through the NC2, a viable institutional and procedural framework will be established to ensure continuous reporting of national communications to the UNFCCC. The analysis conducted within the INC will be upgraded and extended, which will result in preparation of an advanced national report in the form of NC2. The preparation of the NC2 will further ensure that climate change issues are integrated into national and local strategic planning processes.

The project will be executed by Conservation and Environmental Management Division (CEMD) of Ministry of Natural Resources and Environment (NRE), which is the National Focal Point of UNFCCC for Malaysia. CEMD, as the implementing agency, has direct responsibility for the day-to-day implementation of activities required under the Convention. The institutional setup for undertaking activities in NC2 (as outlined in Appendix B) shall consist of Project Steering Committee (PSC), Project Management Group (PMG), National GHG Inventory Working Group, Vulnerability and Adaptation Working Group and Mitigation Working Group. The terms of reference for each entity are detailed as below.

### **II. PROJECT STEERING COMMITTEE (PSC)**

The PSC will have the following duties:

- Providing strong top management support and overall policy advice for the development and realisation of the project
- Assisting in mobilizing available data and expertise;
- Endorsing the detailed work plan, monitoring plan, progress and financial reports, produced thematic reports, National Communication Procedures Document and Final NC2 Report and Action Plans;
- Monitoring and reviewing the progress of the project against its stated objectives and outputs, including by reviewing progress reports prepared by the PMG;
- Proposing the final NC2 report for approval by the Government and submission to the UNFCCC Secretariat.

The PSC, to be chaired by the Deputy Secretary-General (I) of NRE, will comprise of representatives from the following key entities:

- CEMD, NRE – Secretariat;
- Ministry of Energy, Water and Communication;
- Ministry of Agriculture & Agro-Based Industries;
- Ministry of Plantation Industries & Commodities;
- Ministry of Science, Technology & Innovation;
- Ministry of Transport;
- Ministry of Housing & Local Government;
- Ministry of International Trade & Industry;
- Ministry of Health;
- Economic Planning Unit, Prime Minister Department;
- Malaysian Meteorological Services Department;
- Representatives from Sabah and Sarawak;
- NGO representative; and
- UNDP resident representative.

PSC will meet every six months or when the need arises (upon the Chairman's decision).

### **III. PROJECT MANAGEMENT GROUP (PMG)**

The PMG, whose Project Director will be the Undersecretary of CEMD, will be responsible for supervising project execution. This will include evaluating project outputs to ensure that project activities are being carried out in a timely manner and to acceptable levels of quality, and reviewing the status and needs of countries throughout project implementation. The PMG will be assisted by a Secretariat that will manage the project on a day-to-day basis and is accountable to the executing agency for the planning, management, quality, timeliness and effectiveness of the activities carried out, as well as for the proper use and management of funds. The Secretariat will ensure regular monitoring and feedback from activities already under implementation. The PMG will work closely with UNDP-CO. Meetings will be held with the sectoral coordinators of each Working Group every quarterly or whenever needed (to be decided by Project Director).

The PMG, with the assistance of the Secretariat, will have the following duties:

- Prepare a detailed work plan, monitoring plan and budget;
- Prepare and submit to PSC and UNDP-CO regular progress and financial reports;
- Coordinate and oversee the preparation of the outputs of the NC2;
- Ensure effective communication and adequate information flow with the relevant authorities, institutions and government agencies in close collaboration with the PSC;
- Ensure appropriate stakeholder participation in the project implementation and coordinate the work of all stakeholders under the guidance of the PSC and in consultation with the UNDP-CO;
- Maintain and establish additional links with other related national and international programs and projects;
- Prepare the Terms of Reference for consultants and experts and ensure their timely hiring;
- Provide guidance to the consultants and experts and oversee compliance with agreed work plan;
- Identify training needs for other project stakeholders;
- Organize and coordinate the procurement of services and goods under the project;
- Coordinate, manage and monitor the implementation of the Project assignments undertaken by the working groups, local experts, consultants, sub-contractors and co-operating partners;
- Assume overall responsibility for the proper handling of logistics related to all project workshops and events;

- Manage the Project finance, oversee overall resource allocation and where relevant submit proposals for budget revisions with the help of the UNDP-CO;
- Oversee the production and endorsement of detailed work plan, produced thematic reports, NC2 Report and Action Plans;
- Draft the NC Procedures Document describing procedures and arrangements undertaken to collect, record and archive information and documents for the preparation of all sections of NC2, including information on the role of the institutions involved;
- Ensure the implementation and management of an Internet-based platform to support the Working Groups.
- Produce draft and final NC2 report for approval by PSC.

#### **IV. NATIONAL GHG INVENTORY WORKING GROUP**

The Working Group will be responsible for preparing GHG Inventory. It will perform specific activities outlined below, as well as coordinate with the outputs of other consultants engaged outside the institution. Under the supervision and coordination of PMG, activities undertaken by the Working Group will contribute to strengthening institutional arrangements for compiling, archiving, updating and managing GHG inventories. Duties of the Working Group are to:

- Develop the mechanism for data collection and management including archiving relevant data for the project duration;
- Collect, collate and integrate, in compatible format, available data from national sources to fill inventory data gaps. Identify and develop methods for overcoming inventory data gaps;
- Undertake national GHG inventories for the year 2000, according to the guidelines for the preparation of National Communications (Decision 17/CP.8);
- Recalculate the inventory for year 1994 based on revised guidelines;
- Identify and propose solutions barriers to obtaining activity data and emission factor, and assess uncertainties in the activity data and emission factors;
- Describe the procedures and arrangements established for preparing the national GHG inventory in National Communication Procedural Manual;
- Develop a National Action Plan for Improvement of the GHG Inventory;
- Present and discuss on the results obtained from the GHG Inventory in national workshop;
- Prepare final report on the national GHG inventory and national action plan, including comments from the stakeholders.

The institutions contracted for undertaking project activities should meet the following minimum criteria:

- Sound and broadly-recognized scientific expertise on climate change research;
- Prior experience in inventory preparation, through involvement in the INC;
- Highly qualified scientists working in the fields of emission factor development or data collection methods;
- Familiarity with the UNFCCC, IPCC methodology.

#### **V. VULNERABILITY ASSESSMENT AND ADAPTATION WORKING GROUP**

The Working Group will be responsible for reporting on vulnerability assessment and adaptation. It will ensure performing specific activities outlined below, as well as coordination with the outputs of other consultants engaged outside the institution. The activities undertaken by the Working Group will also strengthen institutional arrangements for systematic climate observation, data management and control, processing and updating of meteorological data. Duties of the Working Group are to:

- Evaluate the latest development of Global Climate Models (GCM) used in INC and outputs of RegHCM-PM, and derive possible future approaches on climate scenario projections with reducing uncertainties
- Review the vulnerability assessment of the following sectors: agriculture, forestry, biodiversity, water resources, coastal resources, human health and energy, including identification of vulnerable areas that are most critical, according to the scenarios developed
- Describe the links between climate and socio-economic baseline conditions of the country in the most vulnerable sectors
- Based on the output of the vulnerability assessment, evaluate the feasibility of available adaptation measures to meet their specific needs and concerns arising from the adverse effects from the climate change
- Prepare a national action plan for implementation of identified prioritised policies/measures for all sectors of concerned
- Describe the procedures and arrangements established for performing vulnerability and adaptation assessment in National Communication Procedural Manual;
- Present and discuss on the results obtained in national workshop;
- Prepare final report on vulnerability and adaptation assessment and national action plan, including comments from the stakeholders

The institutions contracted for undertaking project activities should meet the following minimum criteria:

- Sound and broadly-recognized scientific expertise on climate change research;
- Prior experience in performing vulnerability & adaptation assessment, through involvement in the INC;
- Highly qualified scientists working in the fields of vulnerability assessment and adaptation process, through involvement in the INC;
- Familiarity with the UNFCCC, IPCC methodology.

## **VI. GHG MITIGATION WORKING GROUP**

The Working Group will be responsible for preparing GHG mitigation assessment. It will ensure performing specific activities outlined below, as well as coordination with the outputs of other consultants engaged outside the institution. Duties of the Working Group are to:

- Gather and present information on implemented and/or adopted GHG reduction policies/measures in the energy and transportation, industrial processes, agriculture, LULUCF and waste sectors;
- Identify, formulate and prioritise other potential mitigation policies and measures for all sectors of concerned;
- Establish business-as-usual baseline projections until year 2020, considering national economic and social development trends and projections, and implemented or adopted policies and measures;
- Projections mitigation scenarios based on the identified policies/measures and future development plan, and assess the cost-benefit using selected economic tools/models. Discuss limitations and uncertainties encountered in the analysis and recommendations for improvement;
- Formulate a national action plan for the implementation of identified prioritised GHG mitigation policies/measures including information on cost analysis, barrier to implementation, assessment of technology options for the different mitigation options in various sectors, institutional capacity-building needs to sustain mitigation work, and the related legal and institutional frameworks;
- Describe the procedures and arrangements established for performing GHG mitigation assessment in National Communication Procedural Manual;
- Present and discuss on the results obtained in national workshop;

- Prepare final report on GHG mitigation and national action plan, including comments from the stakeholders.

The institutions contracted for undertaking project activities should meet the following minimum criteria:

- Sound and broadly-recognized scientific expertise on climate change research;
- Prior experience in preparing scenarios for GHG mitigation assessment;
- Highly qualified scientists working in the related areas: Energy and Transport, Industry, Agriculture, Forestry, Waste;
- Familiarity with the UNFCCC, IPCC methodology.

**Appendix D: Endorsement letters**

- UNFCCC Focal Point
- GEF Operational Focal Point