

UNEP/Risø – CORDELIM/MAE Project  
“Capacity development for the CDM: Ecuador”

Under the UNEP/Risø Global Program  
“Capacity development for the CDM - CD4CDM”

## **2003 Report and 2004 Working Plan**

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*English version translated from Spanish original by Fundación Bariloche.*

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## **1. Background**

### ***The UNEP/Risø Programme 'Capacity Development for the CDM'***

With the aid of the Government of the Netherlands, the United Nations Environment Programme/UNEP launched the Global Project 'Capacity Development for the Clean Development Mechanism – CD4CDM'. This Project will be implemented by the RISØ Centre on Energy, Climate and Sustainable Development.

The project aims at 1) bringing within the participant nations a wide understanding of the opportunities given by the CDM; and 2) developing the institutional and human capacities required to formulate and implement projects under the CDM. The general objectives and expected results include the following:

- Improved regulatory frameworks, operative national CDM bodies, a portfolio of possible CDM projects, and a clear definition of baseline parameters that set the basis for possible political support for and agreement with the project
- Improvement of skills and increase of the capacity to 1) define a regulatory framework that may sustain CDM activities, 2) identify potential CDM projects, 3) formulate investment plans, 4) validate CDM projects, and 5) monitor and report on the results of CDM activities
- Experience in the development of capacities within the CDM, and relevant institutional approaches that may be shared with other nations and for the basis for future activities
- Operational information and guides to bring awareness and develop capacity with reference to the CDM, which may be applied on the project but may also be available for wider application

### ***The "Development of Capacities for CDM" project in Ecuador***

It is expected that the Development of Capacities for the Clean Development Mechanism project in Ecuador will result in a substantial contribution to meet the strategic and functional tasks assigned to the CDM/CORDELIM Promotion Office and the CDM/AN-CDM National Authority. The following are the key results expected:

- 1) Strengthening of the national environment for the implementation of CDM projects, through the implementation of CDM bodies that are fully operational and with the necessary human and material resources, with clear mandates and political support to manage the different stages in the CDM project cycle
- 2) A series of clear and consistent regulations, procedures and criteria that represent the regulatory framework for the lifecycle of the CDM projects, including the formulation and selection of the project; and the validation, verification and reporting, and property of the carbon reduction units
- 3) A national market of well-established CDM projects, including a portfolio of projects and a private sector interested in developing, financing and implementing eligible CDM projects

CORDELIM, the National CDM Promotion Office, is the national agency for the implementation of the project. The Project Coordination Unit of the Ministry of the Environment acts as the administrative-financial unit of this technical cooperation. The Ministry of the Environment, as Chairman of the National Climate Committee, of CORDELIM, and of the National Authority designated for the CDM is in charge of the global implementation of the project. The National Climate Committee and the Board of Directors of CORDELIM act as informal advising committee for the project. The PNUMA/RISØ Energy, Climate and Sustainable Center provides technical support to the local team, in cooperation with the Bariloche Foundation.

## **2. Summary of processes and activities**

As outlined in detail in the Reference Terms document for the "Development of Capacities for the CDM in Ecuador" project, the following are the action lines and their corresponding key activities:

### **P.1 Support to the consolidation of the national institutional framework for the CDM**

- A.1.1 Definition of internal rules and regulations
- A.1.2 Basic technical staff for the national CDM bodies
- A.1.3 Building of inter-institutional networks

### **P.2 Support to the DNA in project management and follow-up**

- A.2.1 Consolidation of the "DNA procedure for Evaluation and National Approval of CDM Projects"
- A.2.2 Establishment and management, under DNA, of a Project Evaluator Record
- A.2.3 Definition of a "System for the National Record and Follow-Up of CDM Projects"

### **P.3 Analysis of the regulatory framework for investments in the CDM**

- A.3.1 Consistency with the national foreign investment system (Activity A1.1.4)
- A.3.2 Rules and regulations on property rights and duties

### **P.4 Criteria and tooling for the evaluation and national approval of CDM projects**

- A.4.1 Identification of a series of criteria related to carbon management to guarantee coherence with the rules established by the Executive Board for the CDM:
- A.4.2 Identification and discussion of a series of indicators and criteria to guarantee the contribution of the CDM projects to national sustainable development objectives
- A.4.3 Analysis of complementary elements to be considered with relation to the national criteria
- A.4.4 Review and development of project evaluation and approval tools

### **P.5 National guides for project developers under the CDM**

- A.5.1 Definition of national elements for environmental additionality evaluation
- A.5.2 Definition of methods to quantify the amount of expected greenhouse gas reductions through the implementation of a CDM project
- A.5.3 Definition of parameters required towards the application of baseline methodologies
- A.5.4 Issuing of guides towards the development of projects and other promotion tools

### **P.6 Management of a resource and information center**

### **P.7 Formulation and implementation of an investment and market strategy for CDM projects**

- A.7.1. Compilation and evaluation of relevant information
- A.7.2 Development of case studies
- A.7.3. Consultation with key local and international agents involved
- A.7.4. Definition of the strategy
- A.7.5 Implementation of the strategy with a two-stage approach

### **P.8 Formulation and implementation of a strategy towards the training of local technical expertise in carbon certification**

- A.8.1. Compilation and evaluation of relevant information
- A.8.2. Consultation with key local and international agents involved
- A.8.3. Definition of the strategy
- A.8.4 Implementation of the strategy with a two-stage approach

### **P.9 Technical support to the team of Climate Change negotiators**

- A.9.1 Agenda in force related to the Kyoto protocol flexibility mechanisms
- A.9.2 "Think-tank" for the long-term development of carbon compensation policies within the context of the international climate protection system

### **P.10 Technical support to the project indicator portfolio**

## Part 1: 2003 Annual Report

### 3. Activities carried out throughout 2003

The table below sums up the activities carried out throughout 2003, as contemplated in the working plan for the first year in which the project was to be implemented. The table also outlines identified/emerging barriers and opportunities within the framework of the CORDELIM administration, which in turn represent administration elements to continue/initiate in 2004.

Activity, contemplated in ToR 2003	Execution level – completion and references	Continuity – opportunities / barriers
<b>P1: Support to the consolidation of the national institutional framework for the CDM</b>		
A1.1 Definition of internal rules and regulations	National CDM Promotion Office / CORDELIM: <ul style="list-style-type: none"> <li>• Previously in force: CORDELIM statutes (Ministerial Agreement). Memorandum of Understanding for Administrative-Legal Support among CORDELIM, UCP, and MAE.</li> </ul> CDM National Authority (DNA)/Ministry of the Environment: <ul style="list-style-type: none"> <li>• DNA formally established through resolution from NCC and Ministerial Agreement. Adopted DNA procedure.</li> </ul>	CORDELIM (promotion) / DNA (regulation) coordination: <ul style="list-style-type: none"> <li>• In view of the evolution of the carbon market within the national and international spheres, the need arises to distribute functions, identify synergies, and strengthen political coordination and administration mechanisms</li> </ul> National CDM Promotion Office / CORDELIM: <ul style="list-style-type: none"> <li>• Development of the Procedure Manual, among others, to regulate the rendering of services</li> </ul> CDM National Authority (DNA)/Ministry of the Environment: <ul style="list-style-type: none"> <li>• Procedure consolidation and administration tooling complementation (see P2)</li> </ul>
A1.2 Basic technical staff for national CDM bodies	National CDM Promotion Office / CORDELIM: <ul style="list-style-type: none"> <li>• Hiring of a Technical Assistant for the project, acting as <i>Sector Energy Coordinator</i> of CORDELIM, and of an Administrative Assistant for the project, acting as <i>Administrative Assistant</i> of CORDELIM (as from March)</li> </ul> CDM National Authority (DNA)/Ministry of the Environment: <ul style="list-style-type: none"> <li>• Hiring of a Consultant for DNA activities (see P2), acting as <i>DNA Coordinator</i> (as from February)</li> </ul>	<ul style="list-style-type: none"> <li>• Appointment of a MAE official as DNA Coordinator. Pending Record of Evaluators under DNA</li> <li>• Financial sustainability of CORDELIM, including financing of the permanent staff of CORDELIM, not yet approached</li> </ul>
A1.3 Building of inter-institutional networks	Inter-institutional relations have been generated and strengthened with the development of CORDELIM and DNA activities, particularly as from the organization of workshops with key local institutions and within the framework of political discussion projects under the NCC institutional umbrella.	Institutional consolidation and establishment of inter-institutional networks supported by communications mechanisms resting on computer resources under development (internal portal, mailing lists). Adoption of Working Agendas with key institutional agents to be determined.

Activity, contemplated in ToR 2003	Execution level – completion and references	Continuity – opportunities / barriers
<b>P2: Support to DNA in project management and follow-up</b>		
A2.1 Consolidation of the “DNA Procedure for Project Evaluation and Approval”	<p>According to the priorities established by the Ministry of the Environment and the National Climate Committee, the activities related to the implementation of DNA and the consolidation of its basic tools were carried out under the facilitation of a project consultant (acting as DNA Coordinator). These activities led to the following, among others:</p> <ul style="list-style-type: none"> <li>• Adoption by the NCC of the DNA procedures for the evaluation and national approval of CDM projects and the appointment of the Ministry of the Environment as National Authority of Ecuador for the CDM. Note to the UNFCCC by the Ministry of Foreign Affairs still pending.</li> <li>• Ministry resolution legally establishing the DNA and adoption of the general procedures to regulate DNA operations.</li> <li>• “NCC and MAE priorities and guidelines towards national participation under the CDM” discussion process, with emphasis on the electricity and forestry sectors. Under development.</li> <li>• Review of tools for the application of the DNA procedures. Under development.</li> </ul>	<p>Considering the dynamic rules and modes for the CDM, the DNA requires the evaluation of procedures and tools to identify weaknesses and emerging requirements. This activity includes the adjustment of the Guides for Project Presentation and Evaluation, of the internal evaluation cycle, and of public participation mechanisms, which implies the discussion and definition of criteria at sector and project levels (national eligibility and sustainability criteria, see P3.4 below), within the framework of a participating process that requires the political support of MAE and NCC to continue in a coherent way.</p>
A2.2 Establishment and management under DNA of a Project Evaluator Record	<p>The regulatory framework is outlined in the mentioned general DNA procedures. The design and implementation of the record, as well as the definition of coordination mechanisms with relevant agents for evaluation processes, and of tools to train potential evaluators, remain pending.</p>	<p>Weakness: Appropriation by MAE authorities of functions such as DNA, including the consideration of procedures in force. This activity requires including inter alia the definition of ToRs for the accreditation of project evaluators, the complementation of relevant internal rules (including rates) related to the delegation/outsourcing of DNA activities, definition of cost-efficient mechanisms to train project evaluators and schemes to control outsourced activities.</p>
A2.3 Definition under DNA of a “CDM Project Record and Follow-Up System”	<p>The conceptual framework is outlined in the mentioned general DNA procedures. The design of complementary rules and tools for the ex post approval and record functions shall be developed once there is more clarity within the international sphere (progress by the CDM Executive Board).</p>	<p>Comprehensive system for the recording and reporting (at national level) of CDM project activities under way. It must be consistent with the JE-CDM record (and other CDM project monitoring rules), and integrate complementary information according to the requirements of DNA and other relevant national agencies.</p>
<b>P3: Analysis of the regulatory framework for investments in the CDM</b>		
A3.1 Consistency with the national	Terms of reference for the hiring of legal technical assistance and the facilitation of	Evaluation & regulation activity substantially dependant on

Activity, contemplated in ToR 2003	Execution level – completion and references	Continuity – opportunities / barriers
foreign investment system A3.2 Rules and regulations on property rights and other issues	<p>the consultancy process have been developed and concerted (→ the nature and scope of the legal and tax issues identified are outlined in higher detail in the corresponding section of the 2004 Plan). Hiring of legal technical consultants to be carried out under PLAC/CAF – MAE cooperation.</p> <p>Interchange of guidelines and viewpoints (with relation to these issues) at Andean regional level (PLAC/CAF) and within the PCF/World Bank Host Committee.</p>	international progress as to market regulation, as well as national guidelines and political will to encourage participation in the CDM.
<b>P4: Criteria and tooling for project evaluation and national approval</b>		
A4.1 Identification of carbon management criteria to guarantee coherence with international CDM rules A4.2 Identification of indicators and/or criteria to guarantee the contribution of the CDM projects to national sustainable development objectives A4.3 Analysis of other elements that must be considered with relation to national criteria A4.4 Review and development of the corresponding project evaluation and approval tooling	<ul style="list-style-type: none"> <li>In accordance with the short-term goals established by the Ministry of the Environment and the NCC, the priority was to legally establish the DNA and its general procedure for the national approval of CDM projects. This implied defining the approach, nature and basic criteria of the evaluation of CDM project proposals at national level (see A2.1).</li> <li>On the basis of the DNA general procedure already in force, an articulation and consultation process was initiated within the Ministry of the Environment and the NCC with reference to priorities and guidelines for CDM projects in Ecuador, approaching the sector and local levels for certain types of priority projects. This process is under way and shall integrate a better participation of relevant sector agents.</li> <li>On the other hand, discussion documents are being drafted at CORDELIM on the transversal issues of Sustainable Development and Environmental Additionality in energy projects with a view to outlining a conceptual framework to guide the debate on these issues.</li> </ul>	<p><b>Fundamental:</b></p> <ul style="list-style-type: none"> <li>See to the weak political support of the Ministry of the Environment and administration under the NCC institutional umbrella</li> <li>Need to strengthen the coordination between CORDELIM and DNA, specifically for this use, so as to guarantee the convergence of conceptual/methodological approaches and consultation activities under way towards a single consistent political proposal</li> <li>Implementation of consultation processes with key agents (decision makers within the national, sector, and local spheres)</li> </ul>
<b>P5: National Guides for CDM project development</b>		
A5.1 Definition of national criteria for environmental additionality evaluation A5.2 Definition of methods to quantify the expected amount of greenhouse gas reduction through the implementation of a CDM project A5.3 Definition of standard parameters required for the different baseline methodologies	<ul style="list-style-type: none"> <li>The following general activities were carried out within the framework of an initial phase of project development support, and with the aid of UNEP/Risø and PLAC/CAF:</li> <li>National Local Information and Promotion Workshop Series (including the replica of Workshops with different local allies). Among other results, this allowed the identification of specific information and capacity needs at local level, contacting proponents of potential emission reduction projects (at different project formulation stages), and establishing inter-institutional relations with local allies.</li> <li>Issuing of CDM Project Development Guides for specific mitigation sectors, integrating elements related to the national context. Guide proposals for 3/4</li> </ul>	<ul style="list-style-type: none"> <li>This line of action by CORDELIM shall be continued on the basis of 1) proposals on basic Guides for the formulation of projects already developed for both sectors, 2) basic information &amp; training modules already developed for Workshops and Tutorships, 3) methodological progress within JE-CDM, and 4) integration of related experiences from other CDM projects. Particularly, more specific elements / issues shall be approached with relation to priority methodologies and sectors.</li> <li><b>Barrier:</b> Installed technical capacity available at CORDELIM, including the allocation and acknowledgement</li> </ul>

Activity, contemplated in ToR 2003	Execution level – completion and references	Continuity – opportunities / barriers
A5.4 Issuing of guides/manuals for the development of projects and other promotion tools	<p>sectors have already been issued, and shall be consolidated/edited next month.</p> <ul style="list-style-type: none"> <li>• Call to tutorship of project ideas / proposals within the CDM project cycle, including the evaluation of the potential and the planning of the further strategic technical and financial administration of the most promising ideas / proposals. There has been an expansion and updating of the portfolio indicating the projects / proposals of energy / forestry projects whose development has the technical support of CORDELIM for the purposes of the CDM and the carbon market.</li> </ul>	<p>of the time devoted by the staff to meet the emerging and recurrent demands of external agents (generally not specified in individual ToR): technical aid to projects, organization and holding of short events / workshops, management of working tools (particularly the web portal)</p>
<b>P6: Management of a resource and information center</b>		
Permanent activity: Data uploading, updating, and expansion of the virtual resource portal in the web, complemented with coherently systematized information & knowledge facilities and tooling.	<p>The CORDELIM resource portal in the web has already been conceived, designed, and technically implemented, and its basic contents have already been developed. Nevertheless, the basic information has not yet been uploaded, and both strategic services (project station, service station, virtual library, and specialized search engine) have not yet been developed. This delay does not allow making use of the advantages of the portal to support the CORDELIM administration, and must be corrected in the short term.</p>	<ul style="list-style-type: none"> <li>• Permanent activity depending on an efficient and consistent feedback with the activities, products, and results achieved as from the CORDELIM administration (see other processes)</li> <li>• It will probably be required to assign a person technically in charge of the launching of the portal and the definition of the internal procedure to manage such portal</li> </ul>
<b>P7: Formulation of an investment and marketing strategy for CDM projects</b>		
<p>A7.1 Compilation and evaluation of relevant information</p> <p>A7.2 Analysis of case studies (project incubation)</p> <p>A7.3 Consultation with national and international agents</p> <p>A7.4 Strategy development / concertation</p> <p>A7.5 Implementation of the strategy</p>	<p>This process has not yet been approached beyond the 1) gathering and review of relevant information, and 2) identification &amp; referencing of key institutional agents (nationally and internationally). Terms of reference have been developed to approach this process as from January 2004.</p> <p>On the other hand, the thematic aspects of this process have been identified at the political level of the National Climate Committee and CORDELIM Board of Directors as barrier and priority to make national participation in the CDM feasible. This is reflected in the adoption of resolutions requesting CORDELIM to give priority to this issue.</p>	<p>It is required to carry out a participation process, particularly dependent on technical information actions, consulting and political lobbying with institutional and private agents frequently lacking deep knowledge of the CDM issue. Hence, sensitive to having political support from the Ministry of the Environment and administration under the NCC institutional umbrella.</p>
<b>P9: Technical support to the team of Climate Change negotiators</b>		
Permanent activity, with priority in accordance with the current and short-term agenda related to the Kyoto flexibility mechanisms	<p>As part of its permanent activities, CORDELIM follows up decisions and discussions on the dynamic CDM Rules and Modes (inter alia, the working plan of the CDM-EB for the startup of the CDM, as well as the negotiation process of the Subsidiary Bodies for LULUCF projects under the CDM). This implies the active participation of the discussion processes under way (regional) and of the official /</p>	<p>Nevertheless, at present, the internal policies of the Ministry of the Environment, as well as the lack of management by the NCC and the Ministry of Foreign Affairs, have not made feasible the direct participation of CORDELIM in the preparation of and delegation to both benchmarks of the climate negotiation</p>

Activity, contemplated in ToR 2003	Execution level – completion and references	Continuity – opportunities / barriers
	unofficial events related to relevant aspects of the climate regimen.	process (including CoP-9). Ecuador did not participate in CoP-9.
<b>P10: Technical support to the indicative project portfolio</b>		
Permanent activity: CORDELIM personnel gives technical aid to project developers (energy and forestry) during the different CDM project identification, development and negotiation stages	<ul style="list-style-type: none"> <li>• See also. information outlined under the <b>P5</b> process</li> <li>• CORDELIM manages a portfolio indicating energy and forestry projects that have identified / are developing the “carbon component” with the purpose of being registered under the CDM and/or take part in other carbon trade mechanisms. CORDELIM supports national project developers in consultation / working with pioneering carbon market agents, e.g. carbon funds such as PCF of the WB and PLAC of CAF</li> <li>• CORDELIM has undertaken a more specific promotion based on applied mechanisms such as calls and direct tutorships, as well as the identification of key project promoters</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Fundamental:</b> Installed technical capacity available at CORDELIM, including the allocation and acknowledgement of the time devoted by the staff to meet the emerging and recurrent demands of external agents (generally not specified in individual ToR)</li> <li>• Strengthen the capacity to deal with project promoters / sponsors through the implementation of efficient management tools (see other P3-P7 processes), including the management of the project station in the web, the availability of guides and other basic information for project development, and the approach of existing barriers to project management (legal, financial, methodological)</li> </ul>
<b>Training events</b>		
Two national discussion/promotion/ concertation workshops	<ul style="list-style-type: none"> <li>• Evento de promoción de alto nivel ‘Ecuador frente al mercado global del carbono’, fue convocado en Julio 2003 por el Ministerio del Ambiente y organizado por CORDELIM. Cancelado por fuerza mayor: cambio de Ministro.</li> <li>• Pendiente Taller Nacional 2003, a efectuarse en febrero 2004: presentación de resultados/avances y articulación de procesos consultivos planificados para el 2004 (ver procesos P3, 4, 5, 7, 8).</li> </ul>	<ul style="list-style-type: none"> <li>• Coyuntural: gestión de soporte político de autoridades del MinAmb y del CNC requerida.</li> </ul>
Two training workshops on CDM project development	<ul style="list-style-type: none"> <li>• Talleres de Capacitación Básica (1 día): en el año 2003 se efectuaron un total de 12 talleres básicos en diversas ciudades (además de múltiples presentaciones en diversos foros nacionales). Durante febrero y marzo 2003 se organizó una Serie Nacional de Talleres Locales, con aliados locales y cofinanciamiento de PLAC/CAF. Posteriormente, estos talleres prototipo se replicaron en función de pedidos de aliados/actores locales. Recursos de este proyecto CD4CDM se utilizaron adecuadamente para poder realizar estos Talleres Locales.</li> <li>• Durante el año 2003 no se priorizó la organización de Cursos Especificos sobre desarrollo de proyectos MDL (sin embargo, se realizaron permanentemente Tutorías directas a promotores de proyectos).</li> </ul>	<ul style="list-style-type: none"> <li>• Durante el 2004, CORDELIM priorizará la gestión y organización de Talleres de Capacitación Básica con aliados institucionales locales, asignando recursos del proyecto CD4CDM (personal, insumos, transporte) como contrapartida.</li> <li>• Complementariamente, se organizará Cursos de Capacitación Especifica, en cooperación técnica y financiera con organizaciones nacionales/internacionales. Recursos del proyecto CD4CDM servirán para asegurar el cierre financiero y para incluir al programa CD4CDM bajo el paraguas institucional.</li> </ul>
Participation in the Regional Course on Training in Scenarios and Prospective Analysis Methods	<p>Con recursos del proyecto se pudo financiar/cofinanciar:</p> <ul style="list-style-type: none"> <li>• participación de técnico CORDELIM (Coordinador Energía, D.Neira) en Curso Regional del proyecto (Bariloche, 2 semanas): financiamiento completo.</li> </ul>	Aún no se han identificado Cursos específicos para el año 2004. En todo caso, se mantendrá el esquema de gestionar becas y prioritariamente utilizar recursos del proyecto

Activity, contemplated in ToR 2003	Execution level – completion and references	Continuity – opportunities / barriers
	<ul style="list-style-type: none"> <li>• participación de técnico CORDELIM (Coordinador Forestal, D.Valenzuela) en Curso MDL de CATIE (Costa Rica, 1 semana): traslado &amp; subsistencia.</li> </ul> <p>Además, durante el año 2003 técnicos de CORDELIM y de la AN-MDL participaron en otros eventos técnicos &amp; políticos relacionados con el MDL y el Mercado del Carbono, entre otros: Taller Regional PLAC/CAF para Oficinas MDL de ALC, Reunión Anual PCF/BM del Comité de Países Anfitriones, Taller Regional UNIDO para Institucionalidad MDL en Africa, Curso Regional IIE sobre Cambio Climático &amp; MDL. En la regla, invitados por organizadores y/o delegados por el Ministerio del Ambiente.</p>	CD4CDM para cofinanciar rubros no cubiertos por organizadores.
Participation in the Regional Seminar of the CD4CDM Program	Técnicos de CORDELIM y de la AN-MDL (total: 3 delegados) participaron en el Seminario Regional CD4CDM y en el Taller Regional CD4CDM (Ecuador, Bolivia, Guatemala), realizado en septiembre en Buenos Aires, Argentina.	Participación en 2004 en función de planificación de Fundación Bariloche y UNEP/Risø.

## 5. Budget used

The table below provides the reference allocation (2003) and the actual use of project resources. CORDELIM, in consultation with DNA (for processes, see under issue 2), formulated the terms of reference for each activity, while contracts were managed by UCP, in accordance with its administrative procedures.

Note: **Annex 01** includes the detailed breakdown of costs incurred in accordance with the UCP report. [\[UCP Annual Report to be included\]](#)

Activity: as included in General ToR	ToR 2003	Net value	VAT 12%	Expenses	Description / observation
<b>1. Support to CORDELIM</b>	<b>30.000</b>				
Technical Assistant for the project	15.000	16.000	1.920	17.920	= CORDELIM Energy Sector Officer: 10 months @ 1.600/month
Administrative Assistance	8.000	7.150	858	8.008	= CORDELIM Administrative Assistant: 10 months @ 715/month
Equipment and communications	7.000				
		2.640	316	2.956	Two workstations
		600	72	672	Mensajería & Limpieza
		-	-	50	Miscellaneous: Hardware O&M
<b>Subtotal</b>			<b>3.166</b>	<b>29.556</b>	
<b>2. Regulatory functions: Support to DNA</b>	<b>25.000</b>				
2.1 Support to CDM management proposals	5.000				
2.2 Regulatory framework for CDM investment	5.000	21.000	2.520	23.520	DNA Consultant (reports to Vice-Ministry for Environmental Quality): 10 months @ 2.100/month
2.3 Project evaluation and approval criteria	15.000				
		500	60	560	Design & editorial services for DNA & National Climate Change Committee
<b>Subtotal</b>			<b>2.580</b>	<b>24.080</b>	
<b>3. Promotion</b>	<b>25.000</b>				
3.1 Guides for CDM project development	10.000	1.000	120	1.120	Technician on Informatics & Media, 4 months @ 250/month
3.2 Management of the information and resource center	10.000	12.000	-	12.000	Senior Consultancy on Energy & Sustainable Development, 4 months. <b>Direct payment by UNEP/Risø.</b>
3.3 CDM project investment & marketing strategy	5.000				
3.4 Strategy for the training of local technical expertise on	/	/	/	/	/

Activity: as included in General ToR	ToR 2003	Net value	VAT 12%	Expenses	Description / observation
carbon management services					
<b>Subtotal</b>			120	<b>13.120</b>	
<b>4. Capacity building and training activities</b>	<b>20.000</b>				
4.1 National discussion/promotion/concertation workshops	10.000	204,1	9,6	213,7	Incurred expenses for high-level event "Ecuador facing the global carbon market" (cancelled due to political circumstances)/ Jul03.
		5.786,4	621,1	6.407,5	Incurred expenses for National Workshop (Feb.2004!): venue services, supplies & promotion, international expert (air ticket).
4.2 Training workshops	4.000	-	-	-	Local training workshops organised during 2003: with (1) allocated resources of cooperation PLAC/CAF and (2) fundraising with local partners.
				50	1 per diem for attendance at workshop organized in Guayaquil. Accumulated resources for local workshops in 2004: <b>US\$3.950</b>
4.3 Regional training courses	6.000	3.142,2	2,7	3.145	Participation of CORDELIM Technician (Energy Officer) at FB Energy Course (Bariloche, 2 weeks): registration, air transport, allowances.
			59,5	715	Participation of CORDELIM Technician (LULUCF Officer) at CATIE Project Development Course (Costa Rica, 1 week): air transport & allowances.
<b>Subtotal</b>			<b>71,8</b>	<b>10.531,2</b>	
<b>Other: expenses to be assigned to activity</b>		288,1	30,8	318,9	Office supplies: various
		42,5	5	47,5	DHL Courier
<b>Subtotal</b>			<b>35,8</b>	<b>366,4</b>	
<b>TOTAL</b>	<b>100.000</b>		<b>6.594,5</b>	<b>77.653,6</b>	

## Part 2: 2004 Working Plan

### 6. Processes and activities

The table below outlines the activities contemplated for 2004, in line with the objectives and processes within the Global Reference Terms of the CD4CDM Project in Ecuador, and considering the continuity of processes and activities of the year 2003 currently under way (→ see 2003 Activity Report).

Activity, included in ToR for 2004	Description	Requirements
<b>P1: Support to the consolidation of the national institutional framework for the CDM</b>		
A1.1 Definition of internal rules and regulations A1.2 Basic technical staff for the national CDM bodies A1.3 Building of inter-institutional networks	<p>The objective of consolidation of the institutional framework for the CDM mainly arises from the evolution of the administration of the DNA and of the CDM National Promotion Office / CORDELIM. In general, the observance of their corresponding functions, both through the execution of scheduled activities and products (see processes below) and the meeting of emerging demands from agents and institutions, has allowed and will gradually allow the institutionalization of the CDM issue in the country.</p> <p>Nevertheless, under the present situation, it is required to intensify and strengthen the actions aimed at guaranteeing consistency between the institutional development of the CDM and the articulation of national sector development policies. The activities outlined in the different CORDELIM and DNA processes (see below) are based on this general need.</p> <p>Moreover, the following are some of the specific activities and products (directly related to the institutional consolidation) to be developed in 2004:</p> <p><i>National CDM Promotion Office / CORDELIM:</i></p> <ul style="list-style-type: none"> <li>• Internal Procedure Manual, among others to rule the rendering of services and strengthen cooperation between CORDELIM and UCP for administrative and legal management purposes</li> <li>• Organizational Development Strategy, including the strengthening of relations with the Board of Directors, the awarding of priority to strategic allies, and the search for financial sustainability</li> </ul> <p><i>CDM National Authority (DNA)/Ministry of the Environment:</i></p> <ul style="list-style-type: none"> <li>• → further consultations with the DNA Coordinator</li> </ul>	<ul style="list-style-type: none"> <li>• Guarantee the continuity of the minimum technical staff that developed and/or supports the CORDELIM and DNA administration. In this line, the CD4CDM project facilitates the availability of experts acting as Sector Coordinators in CORDELIM and DNA Consultant (hired for the development of activities and products outlined below). It is worth mentioning that the technical heads of CORDELIM and DNA (Director and National Coordinator, respectively) are not financed by this project.</li> <li>• Due to the evolution of the carbon market within the national and international spheres, DNA and CORDELIM need to agree on the distribution of functions, identify synergies, and strengthen political coordination and administration mechanisms.</li> <li>• Re-evaluate for CORDELIM and AN-CDM the needs of basic infrastructure and communications, computer elements, and consumable needs, and negotiate accordingly the meeting of such needs.</li> </ul>

Activity, included in ToR for 2004	Description	Requirements
<b>P2: Support to DNA in project management and follow-up</b>		
A2.1 Consolidation of the “Ecuadorian DNA Procedure for CDM Project Evaluation and Approval”	<p>Continuation of activities under way and concertation and implementation of results, in accordance with what was planned for the first period, including the following:</p> <ul style="list-style-type: none"> <li>• Discussion process on “NCC and MAE priorities and guidelines for national participation under the CDM”, with emphasis on the electricity and forestry sectors. This issue is closely linked to the activities and products outlined under activity A4.1. Under way.</li> <li>• Tool review and editing, e.g. Guide for DNA Evaluators and Guide for Project Presentation, for the application of the DNA procedures. Under development.</li> <li>• Evaluate, and, should it correspond, adjust the DNA procedure in force, in line with the first experiences with national projects, with the evolutions of the international market, and with the appropriation of the issue by other sector agencies.</li> </ul>	<p>Considering the evolving international rules for the CDM, the DNA requires the periodical evaluation of its procedures and tooling to identify emerging weaknesses and procedures. This includes the discussion and definition of guidelines and criteria at sector and project levels, within the framework of a participative process that still requires the political support of the Ministry of the Environment and of the NCC to continue in a coherent way.</p>
A2.2 Establishment and management of a Project Evaluator Record, under DNA	<p>On the basis of the rules and guidelines already established in the DNA procedure in force:</p> <ul style="list-style-type: none"> <li>• Design and implementation of the record of DNA evaluators, including, inter alia, the definition of ToR for the accreditation of external evaluators, as well as the pending regulation complement (including the definition of rates and rendering of accounts) related to the delegation / outsourcing of DNA activities</li> <li>• Definition of coordination mechanisms (with relevant sector agencies for the evaluation of projects according to their type)</li> <li>• Development of training tools for potential evaluators, including the holding of training workshops / modules</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriation by the Ministry of the Environment of functions such as DNA, including the consequent application of procedures in force</li> <li>• Specific CORDELIM – DNA cooperation to define inter-institutional and evaluator training coordination schemes</li> </ul>
A2.3 Definition of a “CDM Project Record and Follow-Up system”, under DNA	<p>On the basis of the rules and guidelines already established in the DNA procedure in force:</p> <ul style="list-style-type: none"> <li>• Design of complementary rules and tooling for the national record functions, external monitoring and reporting (ex post to the approval and international record). They shall be developed once there is more clarity within the international sphere (rules and orientations related to the CDM Executive Board)</li> </ul>	
<b>P3: Analysis of the regulatory framework for investments in CDM</b>		
<p>A3.1 Consistency with the national foreign investment system</p> <p>A3.2 Rules and regulations on property rights and other issues</p>	<p>The identified key legal aspects to be evaluated include the following:</p> <ul style="list-style-type: none"> <li>• Coordination, homogenization, and coherence with national investment laws, especially with regulatory frameworks and existing rules in the areas or sectors that influence CDM actions</li> <li>• Comprehensive analysis of the legal implications within the context of both the national constitutional framework and the Kyoto regimen, of the CER transactions, and</li> </ul>	<ul style="list-style-type: none"> <li>• The terms of reference for the hiring of legal technical assistance and the facilitation of the consulting process have already been developed and concerted. Hiring to be carried out under the cooperation of PLAC/CAF – MAE.</li> </ul>

Activity, included in ToR for 2004	Description	Requirements
	<p>determination of property rights throughout the “GHG stabilization service” process</p> <ul style="list-style-type: none"> <li>• Determination of the rates applicable to CDM projects and to CER transaction under the current national rate system, and evaluation of the potential negative and positive impacts on the establishment of specific taxes on CER transaction</li> <li>• Definition of adequate duty establishment and distribution mechanisms (among project proponents, CER purchasers, and project investors) for noncompliance with project obligations (such as the distribution of a predetermined amount of CER)</li> <li>• Review of the scope and nature of the National Approval Letter, and analysis of the post-record requirements for approved projects</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation &amp; regulation activity substantially dependant on international progress as to market regulation, as well as on national guidelines and political will to promote participation in the CDM.</li> </ul>
<b>P4: Project evaluation and national approval criteria and tooling</b>		
<p>A4.1 Identification of carbon-management-related criteria to guarantee coherence with international CDM rules</p> <p>A4.2 Identification of indicators and/or criteria to guarantee the contribution of the CDM projects to national sustainable development goals</p> <p>A4.3 Analysis of other elements that shall be considered with relation to national criteria</p> <p>A4.4 Review and development of the corresponding project evaluation and approval tooling</p>	<p>On the basis of 1) the general procedure of DNA <i>already in force</i>, 2) the discussion and consultation documents already under development both within the DNA and CORDELIM, and 3) the integration of related approaches and experiences from other countries or initiatives (particularly of the CD4CDM project), the following will be continued and consolidated:</p> <ul style="list-style-type: none"> <li>• Facilitation and coordination of multi-sector participation projects aimed at the identification and discussion of qualitative criteria and policies at national, sector, and local levels, in accordance with sustainable development objectives (A4.2) and carbon compensation priorities (A4.1)</li> <li>• As outlined above, in view of the results achieved, the procedures and tools for the internal management of the DNA approval process will be adjusted and complemented</li> </ul> <p>See also above activity A2.1, and below activity A.5.1</p>	<ul style="list-style-type: none"> <li>• Political support of the Ministry of the Environment and administration under the NCC institutional umbrella</li> <li>• Cooperation and coordination between CORDELIM and DNA specifically for this issue to guarantee the convergence of conceptual / methodological approaches and both consulting activities under way towards a single consistent political proposal</li> </ul>
<b>P5: National Guides for CDM project development</b>		
<p>A5.1 Definition of national criteria for environmental additionality evaluation</p> <p>A5.2 Definition of methods to quantify the amount of expected greenhouse gas reductions through the implementation of a CDM project</p> <p>A5.3 Definition of standard parameters required for the different baseline methodologies</p> <p>A5.4 Issuing of guides / manuals for project</p>	<p>On the basis of 1) the proposals of basic Guides for project formulation already developed for both sectors, 2) the information &amp; basic training modules already developed for Workshops and Tutorships, 3) the regulatory and methodological progress within the JE-CDM, and 4) the integration of related experiences from other CDM projects or initiatives (particularly the CD4CDM project), the following will be continued, strengthened and/or specialized:</p> <ul style="list-style-type: none"> <li>• Final technical editing and promotion of basic guides developed for both sectors. Implementation in the web portal. Approach to other sectors (transport, waste management, industrial processes?), in accordance with the priorities that may be set</li> <li>• Updating and complementation of modules for training in introductory workshops.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Fundamental:</b> Technical capacity installed and available at CORDELIM, including the allocation and acknowledgement of the time devoted by the staff to meet the emerging and recurrent demand of external agents (generally not specified in individual ToR): technical aid to projects / project profiles, organization of short events (workshops / presentation of information &amp; training), working tooling management (particularly the web portal)</li> </ul>

Activity, included in ToR for 2004	Description	Requirements
development and other promotion tools	<p>Implementation in the web portal</p> <ul style="list-style-type: none"> <li>Systematization of the management of “assistance / tutorship to the development of CDM projects at early stages of project identification and development”, including the “institutionalization” of calls / tutorships of projects and follow-up of the portfolio of priority projects with high potential (see also process P10)</li> </ul> <p>On the other hand, methodological elements related to the following will be particularly continued and/or approached in view of the methodological progress reached within the JE-CDM:</p> <ul style="list-style-type: none"> <li>Production, with the respective persons in charge of sector planning, of 1) BAU scenario (= sector baseline parameters and values), and 2) recommendation of methodologies applicable to the national context, particularly the electricity sector (under way) and the LULUCF sector</li> <li>Evaluation, discussion, and concertation of sector baseline parameters and values for the fast-track application on the different project types</li> </ul>	<ul style="list-style-type: none"> <li>CORDELIM capacity to produce cooperation commitments within sector agencies, dependant on the political leadership of the Ministry of the Environment (as chairman of CORDELIM and DNA)</li> </ul>
<b>P6: Management of a resource and information center</b>		
Permanent activity: Uploading, updating, and expansion of the virtual resource web portal, complemented with coherently-systematized information & knowledge facilities and tooling	<ul style="list-style-type: none"> <li>The CORDELIM resource portal on the web has already been technically conceived, designed and implemented, and both basic contents have already been developed. Nevertheless, the basic information has not been uploaded, and both strategic services (project station, service station, virtual library, and specialized search engine) have not yet been developed. This delay does not allow making use of the advantages of the portal to support the CORDELIM administration, and must be corrected in the short term.</li> <li>Further, the staff from CORDELIM will require the definition of internal duties and the implementation of an efficient good practice procedure to manage the portal</li> </ul>	<ul style="list-style-type: none"> <li>Permanent activity dependant on an efficient and consistent feedback with activities, products, and results reached as from the CORDELIM administration (see other processes)</li> <li>The definition of a technical head to prepare the launching of the portal and define the internal portal management procedure will probably be required</li> </ul>
<b>P7: Formulation of an investment and marketing strategy for CDM projects</b>		
A7.1 Compilation and evaluation of relevant information A7.2 Analysis of case studies (project incubation) A7.3 Consultation with key national and international agents A7.4 Development and concertation of the strategy A7.5 Implementation of the strategy	<ul style="list-style-type: none"> <li>The strategy development multi-sector process, based on the key activities identified and outlined in the project ToR (<i>see respective document</i>) will be carried out during the first three-month period, under the technical coordination and facilitation of a consultant assigned to this activity (with the technical support of CORDELIM staff)</li> <li>In accordance with the results of the previous planning and concertation phase, the administration actions and guidelines identified will be implemented as from the second semester at the latest</li> </ul>	Activity particularly dependant on technical information, consultation, and political lobbying actions with institutional and private agents, frequently lacking much knowledge of the CDM issue. Hence, sensitive to having the political support of the Ministry of the Environment and administration under the NCC institutional umbrella

Activity, included in ToR for 2004	Description	Requirements
<b>P8: Formulation of a strategy for the development of local technical capacities for carbon management services</b>		
<p>A8.1 Compilation and evaluation of relevant information</p> <p>A8.2 Evaluation of related experiences / initiatives</p> <p>A8.3 Consultation with key national and international agents</p> <p>A8.4 Development / concertation of the strategy</p> <p>A8.5 Implementation of the strategy</p>	<ul style="list-style-type: none"> <li>The strategy development multi-sector process, based on the key activities identified and outlined in the project ToR (<i>see respective document</i>) will be carried out during the second three-month period, under the technical coordination and facilitation of a consultant assigned to this activity (with the technical support of CORDELIM staff).</li> <li>In accordance with the results of the previous planning and concertation phase, bases will be set as from the second semester to prepare and initiate the execution of the program on local capacity generation for carbon management services</li> </ul>	<p>Activity particularly dependant on technical information, consultation, and political lobbying actions with institutional and private agents, frequently lacking much knowledge of the CDM issue. Hence, sensitive to having the political support of the Ministry of the Environment and administration under the NCC institutional umbrella</p>
<b>P9: Technical support to the team of Climate Change negotiators</b>		
<p>Permanent activity, given priority in accordance with the current short-term agenda related to the Kyoto protocol flexibility mechanisms</p>	<ul style="list-style-type: none"> <li>Permanent activity: CORDELIM follows-up the negotiations within the UNFCCC related to the application of the Protocol, particularly on the Rules and Modes for the CDM (JE-CDM working plan for the start-up of the CDM, Subsidiary Body negotiations for LULUCF projects under the CDM). This implies the active participation of the discussion processes under way (regional) and of the official / unofficial events related to the relevant aspects of the climate regimen</li> <li>Situational aspect: To facilitate and support within the NCC, Ministry of the Environment, and Ministry of Foreign Affairs a process of political, technical, and institutional understanding of UNFCCC negotiations to reorganize the systematic follow-up and the active participation of Ecuador in the negotiations on the international climate protection regime.</li> </ul>	<p>Internal reorganization and allocation of duties within the NCC, the Ministry of the Environment, and the Ministry of Foreign Affairs to make feasible the national participation and follow-up of the different negotiation processes under the UNFCCC, the IPCC, and other regional / multilateral / bilateral initiatives</p>
<b>P10: Technical support to the indicative project portfolio</b>		
<p>Permanent activity: CORDELIM staff provides technical aid to project developers (energy and forestry projects) during the different stages of identification, development, and negotiation of projects for CDM purposes</p>	<ul style="list-style-type: none"> <li>CORDELIM manages an indication portfolio of energy and forestry projects that have identified / are developing the "carbon component" for the purposes of being registered under the CDM and/or take part in carbon trade mechanisms. CORDELIM "supports" national project developers in consultation / working with pioneering agents in the carbon market, e.g. carbon funds such as PCF of the WB and PLAC of CAF</li> <li>Apart from fulfilling this permanent function, CORDELIM aims at strengthening its capacity to deal with project promoters / sponsors through the implementation of efficient administration tools (see other processes, P3-P7), including the management of a project station in the web, the availability of guides and other basic information for project development, and the approach to existing barriers to project management (legal, financial, methodological)</li> <li>At the same time, CORDELIM aims at approaching a more specific promotion (through</li> </ul>	<ul style="list-style-type: none"> <li><b>Fundamental:</b> Technical capacity installed and available at CORDELIM, including the allocation and acknowledgement of the time devoted by the staff to meet the emerging and recurrent demand of project promoters (generally not specified in individual ToR)</li> <li>In accordance with the mandate of the Board of Directors and decision makers from the NCC and the Ministry of the Environment, the need to establish a portfolio of priority CDM projects will be evaluated in order to follow its development and administration with higher</li> </ul>

Activity, included in ToR for 2004	Description	Requirements
	<p>mechanisms already applied, such as direct calls and tutorships, and the identification of key agents) of CDM project types scarcely explored in the country, particularly in the field of waste management, energy efficiency, and transportation.</p> <p>See also outlined information under process P5</p>	<p>resource allocation (time, additional personnel)</p>
<b>Information, promotion, training and/or concertation events</b>		
<ul style="list-style-type: none"> <li>National Information / Promotion / Consultation Workshops</li> </ul>	<ul style="list-style-type: none"> <li>Pending Workshop 2003 to be carried out in February 2004: presentation of results &amp; articulation of consultation processes planned for 2004 (see processes P3, 4, 5, 7, 8)</li> <li>Proposal of the holding of workshops (2) with resources allocated for 2004 in accordance with the benchmarks of availability of intermediate/final results of both consulting processes outlined above (P3, 4, 5, 7, 8). Tentatively, in June and/or December 2004</li> </ul>	<ul style="list-style-type: none"> <li>Situational: Required administration of political support from authorities from the Ministry of the Environment and the NCC</li> <li>Pending: Top level promotion event, called (and cancelled due to force majeure) by the Ministry of the Environment: <i>Ecuador facing the global carbon market</i></li> </ul>
<ul style="list-style-type: none"> <li>Training Workshops in i) CDM project cycle, and legal and regulatory frameworks; ii) Approach methods for baseline scenarios (eventually in combination with the national workshops)</li> </ul>	<ul style="list-style-type: none"> <li>Basic Training Workshops (1 day): A total of 10 workshops were held in 2003 in different cities (apart from multiple presentations at different national fora). Resources from this CD4CDM project will be adequately managed to meet, when they arise, <i>priority</i> demands of similar workshops from institutional allies</li> <li>Special Training Workshops / Courses (3-5 days): CORDELIM is planning, in cooperation with FACE /PROFAFOR, the holding of an International Course on CDM Project Development in Bioenergy and Reforestation. On the other hand, CORDELIM and the Ministry of the Environment will soon begin discussions with the UNDESA/E7 training program for the CDM, consisting in the holding of 2 international workshops on technical CDM elements. In both cases, the use of the available resources of the CD4CDM project will be analyzed in consultation with UNEP/Risø and the Bariloche Foundation towards the utilization of synergies and the consistent complementation of the scope of these events</li> </ul>	<ul style="list-style-type: none"> <li>CORDELIM will give priority to the administration and organization of Training Workshops with institutional allies, allocating resources of the CD4CDM project (personnel, technical assistance from the Bariloche Foundation, consumables, joint financing) as counterpart</li> <li>Alternatively, CORDELIM will allocate resources available under this item to 1) the replica of the National Local Basic Promotion Workshops, and 2) the organization of an Evaluator and Promoter Training Course (to register national experts supporting the DNA and CORDELIM, respectively)</li> </ul>
<ul style="list-style-type: none"> <li>Participation in Regional / International Training Courses</li> </ul>	<ul style="list-style-type: none"> <li>Specific courses for 2004 are yet to be identified. In any case, there will be a continuation of the scheme to negotiate scholarships and to use resources from the CD4CDM project for the joint financing of items not covered by the organizers.</li> </ul>	<p>/</p>
<ul style="list-style-type: none"> <li>Technical support by the RISØ/FB team</li> </ul>	<p>To be determined in detail in consultation with the Bariloche Foundation and UNEP/Risø. In general, it includes the following:</p> <ul style="list-style-type: none"> <li>Technical consulting on the holding of national workshops, particularly through the presentation of key conferences and the facilitation of relevant discussion documents (→ planning of six-month missions by the Bariloche Foundation)</li> <li>Facilitation of conceptual frameworks and methodological approaches (baselines, sustainable development, capacity-building, among others) through the facilitation of</li> </ul>	<p>Technical support in line with the issues, activities and products approached by UNEP/Risø and the Bariloche Foundation within the wide framework of the global CD4CDM program</p>

Activity, included in ToR for 2004	Description	Requirements
	working papers and case studies <ul style="list-style-type: none"> <li>• Consultation and technical reviews of both products via e-mail</li> <li>• Exchange of results and experiences with other nations of Latin America and other regions taking part in the global CD4CDM program</li> </ul>	

## 7 Reference Schedule

Table 7.1: Reference schedule for 2004												
Key activities	Month 1	2	3	4	5	6	7	8	9	10	11	12
<b>P.1 Consolidation of the national institutional framework for the CDM</b>												
A.1.1 – A1.3 Technical personnel, internal procedures, inter-institutional networks												
<b>P.2 Support to DNA in project management and follow-up</b>												
A.2.1 Consolidation of the Evaluation and National Approval Procedure												
A.2.2 Establishment and management of the Project Evaluator Record												
A.2.3 Definition of the CDM Project Reporting and Follow-Up System												
<b>P.3 Analysis of the regulatory framework for investments in CDM</b>												
A.3.1 Consistency with the national foreign investment system												
A.3.2 Rules and regulations concerning property rights. Others												
<b>P.4 Criteria / tooling for the evaluation and national approval of CDM projects</b>												
A.4.1 - A.4.4 Sustainable development and carbon market priorities												
<b>P.5 National guides and other tools for CDM project developers</b>												
A.5.1 - A.5.4 Consolidation of basic tools and development of specific / sector methodological elements												
<b>P.6 Management of a resource and information center</b>												
<b>P.7 Investment and marketing strategy for CDM projects</b>												
A.7.1 – A.7.4 Definition of the strategy												

<sup>1</sup> Symbols:



Process development



Benchmark. Execution of specific activity



Permanent process / activity. Follow-up

Key activities	Month 1	2	3	4	5	6	7	8	9	10	11	12
A.7.5 Implementation of the strategy (initiation)												
<b>P.8 Strategy for the training of local technical expertise in carbon certification</b>												
A.8.1 – A.8.3 Definition of the strategy												
A.8.4 Implementation of the strategy (initiation)												
<b>P.9 Technical-political consulting to Climate Change negotiations</b>												
A.9.1 Agenda related to the CDM and Kyoto flexibility mechanisms												
A.9.2 "Think-tank" for the long-term development of a national policy within the context of the international climate protection regimen												
<b>P.10 Technical support to the project indicator portfolio</b>												
<b>Others: Events: organization of workshops and courses</b>												
National Promotion / Consultation / Concertation Workshops		X			X					X		
Training Workshops / Seminars (jointly organized by CORDELIM)			X				X			X		
Internal Training courses												
Workshops from the global CD4CDM program and other events related to the CDM												

<sup>2</sup> Symbols:



Process development



Benchmark. Execution of specific activity



Permanent process / activity. Follow-up

## 8. Reference budget

The table below provides the allocation of resources for the CD4CDM project for 2004, in accordance with the general ToR of the CD4CDM project in Ecuador, and integrating the allocated resources corresponding to 2003 (activities under way).

**Table 8.1: Reference budget for 2004**

Activity	Allocated in 2003	Used in 2003 <sup>3</sup>	Allocated for 2004	Total available	Comments
<b>1. Support to CORDELIM</b>					
1. Project technical assistant	15.000		10.000		<ul style="list-style-type: none"> <li>Continuity of the Technical Assistant and the Administrative Assistant, acting at the same time as part of the technical staff of CORDELIM (= Sector Energy Coordinator and Administrative Assistant)</li> </ul>
2. Administrative assistant	8.000		8.000		
3. Equipment and communications	7.000		5.000		
<b>Subtotal</b>	<b>30.000</b>	<b>29.556</b>	<b>23.000</b>	<b>23.444</b>	<i>Saldo 2003: \$444</i>
<b>2. Regulatory functions: NA-CDM</b>					
2.1 Support to the CDM project administration by DNA	5.000		10.000		<ul style="list-style-type: none"> <li>Continuity of the Consultant / Adviser of DNA under ToR defined by the Ministry of the Environment in agreement with the Planning of the CD4CDM project</li> <li>Complementary support of a Senior Energy and Sustainable Development Consultant</li> </ul>
2.2 Regulatory framework for investment in the CDM	5.000		/		
2.3 Project evaluation and approval criteria	15.000		15.000		
<b>Subtotal</b>	<b>25.000</b>	<b>24.080</b>	<b>25.000</b>	<b>25.920</b>	<i>Saldo 2003: \$920</i>
<b>3. Promotion functions</b>					
3.1 Guides for CDM project development	10.000		5.000		<ul style="list-style-type: none"> <li>Senior Consultant in Energy and Sustainable Development</li> <li>Consultant for Strategy Facilitation and complementation of the CORDELIM technical staff (→ emerging demands)</li> <li>Eventually: Assistant / Technical Intern for the web portal</li> <li>Teamwork: with the participation of the Director and Sector Coordinator of CORDELIM</li> </ul>
3.2 Management of the information and resource center	10.000		5.000		
3.3 Investment & marketing strategy in CDM projects	5.000		12.000		
3.4 Strategy for local expertise in carbon management services	/		10.000		
<b>Subtotal</b>	<b>25.000</b>	<b>13.120</b>	<b>32.000</b>	<b>43.880</b>	<i>Saldo 2003: \$11.880</i>
<b>4. Training and Promotion Events</b>					
4.1 National discussion / concertation / promotion workshops	10.000		10.000		<ul style="list-style-type: none"> <li>Final allocation of resources in accordance with the definition of events, in coordination with UNEP/Risø and the Bariloche Foundation</li> <li>Without expenses of National Workshop Feb.2004 (included in Report 2003)</li> </ul>
4.2 Training workshops	4.000		12.000		
4.3 Regional training courses	6.000		8.000		
<b>Subtotal</b>	<b>20.000</b>	<b>10.531</b>	<b>30.000</b>	<b>39.469</b>	<i>Saldo 2003: \$9.469</i>
Other items: expenses to be assigned		366		(- 366)	
<b>TOTAL</b>	<b>100.000</b>	<b>77.653</b>	<b>110.000</b>	<b>132.347</b>	<i>Total available: Allocated 2004 + Saldo 2003</i>

CORDELIM, in consultation with DNA (for process 2), issued / will issue the Terms of Reference for the respective activities. The specific hiring processes will be managed by UCP, in accordance with its administrative procedures, with the technical follow-up of CORDELIM, and considering the guidance / observations of the Global CD4CDM Program.

<sup>3</sup> See detailed breakdown and comments on the use of resources in 2003 in the corresponding Part 1: 2003 Report