

Accelerating the shift towards electric mobility in South Africa

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10898

Countries

South Africa

Project Name

Accelerating the shift towards electric mobility in South Africa

Agencies

DBSA

Date received by PM

12/14/2022

Review completed by PM

1/26/2023

Program Manager

Remy Ruat

Focal Area

Climate Change

Project Type

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request
Cleared

1/20/23:

Thank you for the revisions

1/15/23:

- Focal Area outcomes are missed in Table A ? please complete them (in line with the content of section D)

- On project information: the duration of the project (60 months/ 5 years) does not match the expected implementation start/completions date (58 months). Please review and revise accordingly.

9/29/22:

Yes - aligned with Objective 1 of the Climate Change Focal Area to "Promote innovation and technology transfer for sustainable energy break-throughs", through CCM1-2 - Promote innovation and technology transfer for sustainable energy breakthroughs for electric drive technologies and electric mobility. It also aligns with the objective to focus on the demonstration and early deployment of innovative technologies to deliver sustainable energy solutions that control, reduce or prevent GHG emissions and to develop innovative business models that go beyond business as usual.

Agency Response Cleared

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request
Cleared

1/26/23:

Thank you for the revisions, the M&E line now appears separately as a second line under PMC costs and the budget of components have been adjusted accordingly as these M&E activities were previously integrated in the components. The budget table in annex clarifies that this M&E line is separate from PMC.

1/24/23:

Please revise table B in order to make the planned monitoring and evaluation activities appear in the components.

12/15/22:

Thank you for the submission of the GHG emission calculations annex. Remaining points are covered in other sections.

11/15/22:

Changes addressed except for the GHG emissions point for which the annex is missing (please see below comments for re-submission).

9/29/22:

Overall the project structure and design is appropriate and in line with the expectations set at PFD stage. However, several key methodological assumptions developed in the answers to comments at PFD stage are not reflected throughout the project design at CEO endorsement request stage and would benefit from being explicitly included (including on GHG emissions, linkages to the Global project).

Furthermore, as half of the GEF financing is expected to be dedicated to component 2 (procurement of e-buses), it would be relevant to further develop mitigation measures to address risks related to the financial structure in case some of the expected contributions to city budgets do not materialize. Please refer to the comment below.

Agency Response

This comment is noted and based on the subsequent comments, the changes have been addressed in the revised CEO Endorsement document.

GHG Calculations Annex Uploaded.

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request
N/A

Agency Response N/A
Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request
Cleared

12/20/22:

Comments have been addressed by revising the co-financing table with confirmed amounts and adding in the Investment Mobilized description section elements of clarification on how these confirmed amounts correspond to the breakdown of financing outlined in the co-financing letters.

12/20/22:

Please address comments 1.a, 1.b, 3.a and 3.b below. thank you for the clarifications added in the risk mitigation memo for point 2.

12/15/22:

Thank you for the provided clarifications. Please see below remaining points for further consideration on this basis:

1. DBSA co-financing :

a. Please revise the co-financing amount table on the CEO ER and related financing letter on the basis of confirmed amounts. Context would also be welcome on how the demonstration component of the project will support upscaling financing mobilization. Please also revise the coordination section of this CEO ER for consistency.

b. Please clarify in the co-financing letter or in the description of investment mobilized section how the DBSA concessional facility (mentioned for an amount of 9.8 MUS\$) will be articulated with the two phases mentioned in the project description and co-financing letters from cities.

c. Please clarify in the revised co-financing letter how a case of shortcoming from other prospective co-financing sources may impact the proposed co-financing.

2. Shared understanding of co-financing package between co-financiers ahead of phase 1 disbursement:

a. Given the budget constraints on co-financiers involved in the financing package for e-buses procurement, please clarify in the risk section of the CEO ER the risk entailed by a scenario where a small amount of buses (corresponding to phase 1) would be procured, leading to a likelihood of limited demonstration potential, as identified in the previous experience of Cape Town mentioned in the project baseline.

b. Please include in these clarifications a proposed set of mitigation measures.

3. Co-financing from cities

a. Please adjust the co-financing table amounts on the basis of the breakdown of confirmed amounts outlined in the co-financing letters from cities, to reflect confirmed amounts only.

b. As needed, please provide clarifications on this breakdown in the description of investment mobilized section under the table.

11/15/2022:

1. DBSA co-financing : Thank you for the added clarifications and revisions included throughout the CEO ER. Thank you also for clarifying that the in-kind contribution initially flagged for the department of transport is covered by DBSA. Regarding the 70,000,000\$ facility, the understanding that flows from the provided clarifications is that half of it (\$35,000,000) would come from the DBSA and the other half (same amount) would be matched by a prospective GCF contribution under consideration. Please confirm if the understanding above is correct and in such case provide additional justification on why the whole \$70,000,000 amount is considered as a confirmed co-financing from DBSA in the co-financing letter.

2. City of Tshwane: Thank you for the revised letter and details. The clarification elements provided indicate that cities will provide a contribution based on a 'stabilized' financial condition during phase 2 in case co-financing from the national treasury fiscal incentive under development does not materialize in phase 1. However, the current co-financing letter indicates that the city will confirm its contribution on the basis of the finalization of the financial package, which seems contradictory with this point. A clarification would be useful on this point.

3. City of eThekweni : Thank you for the clarifications and for the added details in the investment mobilized description section. It is noted that a revised letter has been requested to confirm this. In the meantime, it would be also useful to have an estimate of the USD equivalent in the investment mobilized description section.

4. TIA : Thank you for the clarifications and revisions - **cleared**.

5. SANEDI : Thank you for the clarification - the amount now matches on the portal and it is noted that the typos will be corrected in a revised letter.

6. 3rd city: Thank you for the clarifications provided regarding the recentering of phase one on the first two cities which also helps to clarify the questions raised regarding the ability to meet objectives with increased scope of buses. - **cleared**.

9/29/22:

GEF financing of 4,713,224\$ from GEF 7 CCM STAR allocation, with Agency fee of 424,190\$ (9%), for 103,901,996\$, with a co-financing ratio of 1/21 (subject to clarifications below). The co-financing is 2 MUSD higher than expected at PFD stage.

DBSA cofinancing: Yes, the confirmed amounts are supported by co-financing letter which details the types (in-kind and loans) with amounts matching those of the endorsement request (600,000\$ and 18,800,000\$+70,000,000\$ respectively) and associated with their expected utilization (respectively DBSA staff, investment made available to participating municipalities, financing of REIPPP programme for the integration of renewable energy to be connected to the piloting phase of the project, and concessional climate facility to be blended with other funding (Green Climate Fund) for the upscaling component of the project).

? Requests for clarification:

- o 1. How would the financing to the REIPPP be connected as a charging source for the piloting phase of the project ? this is not elaborated upon in the document? The description of the co-financing table in the request indeed points out that this is based on the REIPPP portion that DBSA is already currently supporting (*[emanates] ?from the portion of energy that the Bank is currently financing in the renewable energy independent power producer programme that will be attributed to the charging of electric buses both at demonstration and upscaling of the project?*).
- o 2. Would the whole 70,000,000\$ facility be dedicated to electric mobility projects (deployment of 200 e-buses mentioned in the answer to PFD comments) or would the scope of the climate facility be wider? Would the 70,000,000\$ be the total amount including potential resources from the Green Climate Fund or the DBSA contribution?
- o 3. The reference of the GEF Project ID is marked as 10898 (PPG ID) instead of 11044

City of Tshwane: The confirmed amounts are supported by a co-financing letter which details the types (in-kind and investment/loans) with amounts matching those of the endorsement request (944,737\$ and 5,104,080\$ respectively) and associated with their expected utilization (respectively city's staff, infrastructure and resources for the project, and procurement of e-buses).

? Regarding sources: the investment will be sourced from a combination of fiscal incentives from the national government (3,672,064\$) and the city's own budget (rest = 1,432,016\$). The 3,920,000\$ borrowed from DBSA and to be re-paid with future e-Bus revenues are not accounted as part of the Investment which is consistent with the fact that they are already accounted for in the DBSA co-financing (through the 18,800,000 Investment component)

? Requests for clarification:

- o 1. The fiscal incentives contribution seems to be mobilized in a similar modality as the concessional facility: is it consistent to include it as a contribution from the city of Tshwane instead of from the National Government (National Treasury)?
- o 2. Follow-up question 1 : would it not be relevant to consolidate this potential input as a contribution from the National Treasury?
- o 3. Follow-up question 2 : if the support from National Treasury does not materialize as suggested in the description of the table in the endorsement request, what would be the consequence on the number of buses procured (and hence on the results of the project in terms of GHG emission reductions?) ? section 1.a.b mentions the hypothesis of compensating the lack of financing during phase 2 of the project, however this is not reflected in the co-financing letters and related section so far.
- o 4. At PFD stage, the expected investment mobilized was identified as 7 875 000 \$, and is now identified as 5,104,080\$. An explanation for this decrease and clarification on how the project objectives remain achievable in this context would be useful, in particular given that the amount of e-buses to be procured is raised from 15 to 20.
- o 5. The reference of the GEF Project ID is marked as 10114 (PFD ID) instead of 11044

City of eThekweni: The confirmed amounts are partially supported by a co-financing letter, although the currency does not match (local currency in the letter) and the in-kind contribution is not quantified in the letter; they are associated with their expected utilization (respectively city's staff for the project and procurement of e-buses)

? Requests for clarification:

- o 1. There is no indication in the co-financing letter of the amount corresponding to recurrent expenditures for the in-kind contribution announced in the CEO endorsement request.
- o 2. The amounts are indicated in Rand, amounts in dollars are necessary to make the verification of correspondence with confirmed amounts from the CEO endorsement request.
- o 3. Similar question regarding the fiscal incentives as for the Tshwane Municipality with regards to the National Treasury.
- o 4. At PFD stage, the expected investment mobilized was identified as 6,930,000 \$, and is now identified as 4,677,968\$. An explanation for this decrease and clarification on how the project objectives remain achievable in this context would be useful, , in particular given that the amount of e-buses to be procured is raised from 12 to 19 (in the body of the endorsement request, the co-financing letter mentions 17).
- o 5. The reference of the GEF Project ID is marked as 10898 (PPG ID) instead of 11044

TIA: The confirmed amounts are partially supported by a co-financing letter (amounts do not match) and are associated with their expected utilization on capacity building to accompany sectoral transformation.

? Requests for clarification :

- o 1. The reference of the GEF Project ID is marked as 10114 (PFD ID) instead of 11044
- o 2. The amounts do not match between the co-financing letter and the endorsement request : 937,500\$ vs 987,500\$
- o 3. The amount is indicated as being sourced from a ?Technical assistance? contribution from the uYilo program of the TIA ? a confirmation may be useful to confirm that this would be based on recurring expenditures from the TIA budget.

SANEDI : Confirmed amounts are partially supported by a co-financing letter (amounts do not match) and are associated with their source (recurring expenditure from budget) expected utilization as an execution partner of the project (with details of staff allocated for the project).

? Requests for clarification:

- o 1. The co-financing letter indicates an amount of 311,500\$ compared to the 306,000\$ indicated in the table of the endorsement request.
- o 2. The reference of the GEF Project ID is marked as 10898 (PPG ID) instead of 11044

Ministry of Transport :

? Request for clarification :

- o 1. The co-financing letter is missing for the in-kind contribution

City of Johannesburg:The city of Johannesburg was identified as a participant to the child project at PFD stage, with a contribution of \$1,889,474 in-kind and \$2,550,000 in public investment. This contribution disappeared at CEO endorsement stage for the child project, with explanation provided in section 1.a.b regarding the impact of the covid19 crisis during project development.

? Requests for clarification :

- o 1. An explanation would be useful on the cancellation of the participation of the city of Johannesburg regarding the extent to which to project objectives remain achievable in the absence of this contribution. This could be based on the context provided in section 1.a.b.

2. The selection of a replacement third city during phase 2 of the project is mentioned in section 1.a.b. with 11 buses to be procured ? is this city expected to benefit from the financing or would this be accounted as part of the upscaling component of the project? In case of selection of Cape Town, what would be the additionality of the project given the cited pre-existing experience of e-bus procurement in the city (and how would reported shortcomings of this previous experience be addressed)?

Agency Response

Requests for clarification:

o 1. How would the financing to the REIPPP be connected as a charging source for the piloting phase of the project ? this is not elaborated upon in the document? The description of the co-financing table in the request indeed points out that this is based on the REIPPP portion that DBSA is already currently supporting ([emanates] ?*from the portion of energy that the Bank is currently financing in the renewable energy independent power producer programme that will be attributed to the charging of electric buses both at demonstration and upscaling of the project?*).

Agency Response: The financing of the REIPPP programme with the earmarked \$9,000,000 will assist in increasing the supply of clean energy in the country. The renewable energy from the REIPPP will be channeled toward the grid, which will in turn help supply the energy required to charge electric buses. South Africa currently battles limited energy supply, hence increased supply from the REIPPP programme will improve electricity supply and ensure that electric buses do not cause further electricity demand on an already constrained supply from the grid.

o 2. Would the whole 70,000,000\$ facility be dedicated to electric mobility projects (deployment of 200 e-buses mentioned in the answer to PFD comments) or would the scope of the climate facility be wider? Would the 70,000,000\$ be the total amount including potential resources from the Green Climate Fund or the DBSA contribution?

Response: 70 million USD would be dedicated to the deployment of 200 e-Buses during the scale-up phase. The \$70million facility will be equally capitalised by DBSA and the GCF (ie each contributes \$35,000,000 towards the facility).

o 3. The reference of the GEF Project ID is marked as 10898 (PPG ID) instead of 11044

Agency Response: Updated in the letter .

City of Tshwane: The confirmed amounts are supported by a co-financing letter which details the types (in-kind and investment/loans) with amounts matching those of the endorsement request (944,737\$ and 5,104,080\$ respectively) and associated with their expected utilization (respectively city?s staff, infrastructure and resources for the project, and procurement of e-buses).

? Regarding sources: the investment will be sourced from a combination of fiscal incentives from the national government (3,672,064\$) and the city?s own budget (rest = 1,432,016\$). The 3,920,000\$ borrowed from DBSA and to be re-paid with future e-Bus revenues are not accounted as part of the Investment which is consistent with the fact that they are already accounted for in the DBSA co-financing (through the 18,800,000 Investment component)

Agency Response: Yes, the mentioned understanding is correct. Please see the breakdown below for clarification.

The entire \$9,994,080 is contribution from the City of Tshwane. The breakdown of sources of funds is as follows:

? * \$3,672,064 : A grant incentive from the National Treasury to be used towards purchasing of equipment. This incentive is yet to be approved and committed by the National Treasury

? * \$3,920,000 : A concessional loan from GCF (through DBSA) to be repaid. This facility is yet to be approved and committed by the DBSA

? * \$970,000 : GEF grant

? * \$1,432,016 : To be contributed by the City of Tshwane. These funds have been committed ?

? The \$18,800,000 consists of:

? - the \$9,800,000 from the DBSA which was meant to support the three cities (City of Johannesburg, City of Tshwane and the eThekweni municipality), however now that only 2 cities will be supported, the sum becomes (\$3,920,000 and \$3,720,000 = \$7,640,000). This is already included in the investment allocation of \$5,104,080 (CoT) and \$4,677,968 (eThekweni)

? - \$9,000,000 is the DBSA contribution towards the REIPPP programme aimed to finance the EV charging infrastructure.

The \$18,800,000 therefore is not supposed to have reflected in the table of funds as it has already been incorporated into the respective budgets of the municipalities.

? Requests for clarification:

o 1. The fiscal incentives contribution seems to be mobilized in a similar modality as the concessional facility: is it consistent to include it as a contribution from the city of Tshwane instead of from the National Government (National Treasury)?

Agency Response: Yes, fiscal incentives from the National Treasury may be considered as contribution from the City of Tshwane

o 2. Follow-up question 1 : would it not be relevant to consolidate this potential input as a contribution from the National Treasury?

Agency Response: It would be relevant to consolidate all contributions as contribution from the City of Tshwane, not the National Treasury.

o 3. Follow-up question 2 : if the support from National Treasury does not materialize as suggested in the description of the table in the endorsement request, what would be the consequence on the number of buses procured (and hence on the results of the project in terms of GHG emission reductions?) ? section 1.a.b mentions the hypothesis of compensating the lack of financing during phase 2 of the project, however this is not reflected in the co-financing letters and related section so far.

Agency Response: In baseline section introduction in CEO Endorsement document, it is indicated that the City will cover any financial shortfalls should the contribution from the National Treasury not materialise.

o 4. At PFD stage, the expected investment mobilized was identified as 7 875 000 \$, and is now identified as 5,104,080\$. An explanation for this decrease and clarification on how the project objectives remain achievable in this context would be useful, in particular given that the amount of e-buses to be procured is raised from 15 to 20.

Agency Response: At PFD stage, the fiscal incentive from the National Treasury had not been included, hence the figures are higher than those that appear in the CEO Endorsement. The Fiscal incentive reduces the project value since the grant from the National Treasury (aka incentive) is used to purchase some of the assets.

Please note that the number of e-Buses for City of Tshwane are 20 (and not 15) from PFD stage and the same is mentioned in CEO Endorsement document. The details have been explained in "Project Overview" section.

- o 5. The reference of the GEF Project ID is marked as 10114 (PFD ID) instead of 11044

Agency Response: Updated COT letter provided

City of eThekweni: The confirmed amounts are partially supported by a co-financing letter, although the currency does not match (local currency in the letter) and the in-kind contribution is not quantified in the letter; they are associated with their expected utilization (respectively city's staff for the project and procurement of e-buses)

? Requests for clarification:

- o 1. There is no indication in the co-financing letter of the amount corresponding to recurrent expenditures for the in-kind contribution announced in the CEO endorsement request.

Agency Response: We have communicated to the city to add it and the revised letter will be shared as soon as it is available.

- o 2. The amounts are indicated in Rand, amounts in dollars are necessary to make the verification of correspondence with confirmed amounts from the CEO endorsement request.

Agency Response: We have communicated to the city to add it and the revised letter will be shared as soon as it is available.

- o 3. Similar question regarding the fiscal incentives as for the Tshwane Municipality with regards to the National Treasury.

Agency Response: In baseline section introduction in CEO Endorsement document, it is indicated that the City will cover any financial shortfalls should the contribution from the National Treasury not materialise.

- o 4. At PFD stage, the expected investment mobilized was identified as 6,930,000 \$, and is now identified as 4,677,968\$. An explanation for this decrease and clarification on how the project objectives remain achievable in this context would be useful, in particular given that the amount of e-buses to be procured is raised from 12 to 19 (in the body of the endorsement request, the co-financing letter mentions 17).

Agency Response: At PFD stage, the fiscal incentive from the National Treasury had not been included, hence the figures are higher than those that appear in the CEO Endorsement. The Fiscal incentive reduces the project value since the grant from the National Treasury (aka incentive) is used to purchase some of the assets.

The number of e-Buses for eThekweni Municipality at PIF stage were 17 and has increased to 19 in CEO Endorsement document.

Please see a breakdown of funds below

The entire \$9,5 million is contribution from the City of Tshwane. The breakdown of sources of funds is as follows:

- ? * \$2.99million : A grant incentive from the National Treasury to be used towards purchasing of equipment. This incentive is yet to be approved and committed by the National Treasury
- ? * \$3,72million : A concessional loan from GCF (through DBSA) to be repaid. This facility is yet to be approved and committed by the DBSA
- ? * \$1.46million : GEF grant
- ? * \$1.33million : To be contributed by the City of Tshwane. These funds have been committed
- ? Kindly note that an updated letter from the eThekweni municipality has been provided.

- o 5. The reference of the GEF Project ID is marked as 10898 (PPG ID) instead of 11044

Agency Response: We have communicated to the city to add it and the revised letter will be share as soon as it is made available.

TIA: The confirmed amounts are partially supported by a co-financing letter (amounts do not match) and are associated with their expected utilization on capacity building to accompany sectoral transformation.

? Requests for clarification :

- o 1. The reference of the GEF Project ID is marked as 10114 (PFD ID) instead of 11044

Agency Response: The Project ID has been updated and the revised letter is submitted.

- o 2. The amounts do not match between the co-financing letter and the endorsement request : 937,500\$ vs 987,500\$

Agency Response: There was an error. The correct amount is \$937,500. The amount has been updated in line with co-financing letter and also appropriate changes in total co-financing has been updated in CEO Endorsement document based on this revision.

- o 3. The amount is indicated as being sourced from a ?Technical assistance? contribution from the uYilo program of the TIA ? a confirmation may be useful to confirm that this would be based on recurring expenditures from the TIA budget.

Agency Response: Agreed, the technical assistance contribution is a recurrent expenditure from the TIA budget. The same has been updated in the revised co-financing letter.

SANEDI : Confirmed amounts are partially supported by a co-financing letter (amounts do not match) and are associated with their source (recurring expenditure from budget) expected utilization as an execution partner of the project (with details of staff allocated for the project).

? Requests for clarification:

- o 1. The co-financing letter indicates an amount of 311,500\$ compared to the 306,000\$ indicated in the table of the endorsement request.

Agency Response: The correct amount is \$311,500. The amount has been updated in line with co-financing letter and also appropriate changes in total co-financing have been updated in CEO Endorsement document based on this revision.

- o 2. The reference of the GEF Project ID is marked as 10898 (PPG ID) instead of 11044

Agency Response: The corrected and updated letter has been uploaded.

Ministry of Transport :

? Request for clarification :

- o 1. The co-financing letter is missing for the in-kind contribution

Agency Response: A co-financing letter has not been obtained from the Ministry of Transport, as a result, the co-finance from the ministry has been removed from the co-financing table.

City of Johannesburg: The city of Johannesburg was identified as a participant to the child project at PFD stage, with a contribution of \$1,889,474 in-kind and \$2,550,000 in public investment. This contribution disappeared at CEO endorsement stage for the child project, with explanation provided in section 1.a.b regarding the impact of the covid19 crisis during project development.

? Requests for clarification :

- o 1. An explanation would be useful on the cancellation of the participation of the city of Johannesburg regarding the extent to which to project objectives remain achievable in the absence of this contribution. This could be based on the context provided in section 1.a.b.

Agency Response: It is anticipated that the third city will be secured during phase 2 of the implementation phase. It is likely that the potential outputs could be higher than the originally anticipated.

- o 2. The selection of a replacement third city during phase 2 of the project is mentioned in section 1.a.b. with 11 buses to be procured ? is this city expected to benefit from the financing or would this be accounted as part of the upscaling component of the project? In case of selection of Cape Town, what would be the additionality of the project given the cited pre-existing experience of e-bus procurement in the city (and how would reported shortcomings of this previous experience be addressed)?

Agency Response: The third city will not benefit from the GEF grant as it will participate during phase 2 of the scale-up phase. The City of Cape Town has deployed only 2 e-Buses (out of 11 e-Buses procured) and the operations has started recently with very limited experience. The City of Cape Town is not the only option for a third city to participate during implementation phase. Other municipalities have also been approached, and their prospective participation will be confirmed during implementation phase.

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request
Cleared.

9/29/22:

Yes, 4,713,224\$ is requested from GEF 7 CC STAR allocation, with Agency fee of 424,190\$.

Agency Response Already cleared.

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request
Cleared

12/15/22:

The advanced programming and utilization of the PPG is accounted for in annex C of the document and in the revised letter of request forwarded as an attachment by the agency.

11/15/22:

The GEFSEC obtained confirmation from the GEF Trustee that the resources indicated in the Letter of Endorsement from the South Africa OFP will be made available for this project upon CEO Endorsement, within amount eligibility constraints.

9/29/22:

A PPG seems to be requested, and a table is presented in Annex C presenting expected activities such as a site visit in South Africa ? however no amounts are accounted for in section F nor annex C the attachment mentions that a PPG was not allocated which would be consistent with comments at PFD stage. A clarification would be relevant at this stage (and possibly a deletion of references to related activities if no PPG is to be used).

Agency Response PPG granted. Utilization Table in the updated CEO Endorsement.
Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request
Cleared

1/20/23:

Thank you for the revisions

1/15/23:

On core-indicators: in addition to the adjustment on indicator 6.2 in the core indicator table (which is currently registered in the 6.1 section of the indicators table for GHG emissions in the AFOLU sector, instead of other sectors), please include core indicator 11 explicitly in the results framework (annex a). Currently only indicator 6.2 (GHG avoided) and 6.3 are reflected (MJ saved) in the objectives section of the annex, a third line should be added to reflect indicator 11 from the core indicators table (People benefiting from GEF-financed

investments). Addressing this comment will contribute to address the comment on gender mainstreaming.

12/15/22:

Thank you for the submission of the calculation sheet annex. It is noted that these revised calculations remain conservative as the data is based on the 2018 planning, prior to the publication of the LTS and revised NDC targets.

It is understood that this calculation will be revised at MTR stage based on the evolution of the project and availability of data as needed.

It is also noted that the core indicator for which the emission reductions apply is 6.2 (outside the AFOLU sector)

11/15/22:

The annex H mentioned in the review sheet is not enclosed in the submission so far. In case this refers to the annexes of the agency project document, please submit the revised agency project document that includes this annex.

9/29/22:

As the results differ from the calculations provided at PFD stage, it would be useful to provide the updated calculation sheet as an annex

Agency Response

The GHG emission reduction calculations are explained in "Annex H: Estimates of Direct and Consequential Greenhouse Gas Emission Reductions" in CEO Endorsement document.

GHG uploaded on the portal

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

Cleared

11/15/22:

Thank you for the added clarifications and revisions throughout the CEO ER regarding how barriers will be addressed and linkages with the global project.

9/29/22:

The contribution of the transport sector in global and country-level GHG emissions is outlined as well as the role of electric mobility in the country's national strategy for reducing

emissions, including through its Green Transport Strategy. The identification of barriers and how they will be addressed is consistent with the approach presented at PFD level.

However, how the development of e-mobility will be associated with renewable energy integration and related charging and battery re-use challenges would benefit from further emphasis as these issues are at this stage mostly flagged for a benchmarking exercise drawing from the global project. Please address this in the resubmission.

Agency Response

The comment is addressed in the section ?Part II: A1.3? Component 1 in the document. Output 1.4 already explains how battery re-use and Output 2.1 RE source for low carbon charging would benefit from this project.

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request
Cleared.

9/29/22:

Yes. The baseline scenario details the key barriers faced in the South African contexts in alignment with those identified at PFD and Global project level, including on issues of institutional structure and capacity, local supply, lack of awareness, investment and integration of policies. The status of both confirmed participating cities is outlined, with a focus on electric buses.

Agency Response

This project is focused only on e-Buses deployment and hence GHG calculation is undertaken for that vehicle segment. Other vehicle segments (2/3 wheelers and mini taxis) were not part of this project as clarified at the start with DBSA.

GHG calculations uploaded.

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion
Cleared

12/15/22:

Thank you for the submission of the GHG calculation annex.

11/15/22:

The annex H mentioned in the review sheet is not enclosed in the submission so far. In case this refers to the annexes of the agency project document, please submit the revised agency project document that includes this annex.

9/29/22:

The alternative scenario focuses on most of the outputs and activities described initially in the PFD, including on awareness raising, de-risking of investments, policy integration through a National Strategic e-Bus Roadmap, gender mainstreaming, marketplace development, demonstration projects, preparation of scaling up, and to some extent (through a benchmarking) on renewable energy integration related charging and re-use of batteries.

The project however only focuses on electric buses and does not describe the case of 2/3 wheelers and mini-taxis ? given that the initial GHG calculation was in part based on the latter, it would be relevant to elaborate on this point (the answer to GEFSEC comments at PFD stage would be a relevant source for such details as they elaborate how the knowledge related activities would indirectly contribute to this segment). Please address this in the resubmission.

Agency Response

This project is focused only on e-Buses deployment and hence GHG calculation is undertaken for that vehicle segment. Other vehicle segments (2/3 wheelers and mini taxis) were not part of this project as clarified at the start with DBSA.

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request
Cleared

11/15/22:

Thank you for the revisions.

9/29/22:

Yes.

However, Some minor typos are noted throughout the endorsement request (reference to the Paris ?Protocol?, ?Green? Environment Facility among others). Please revise them.

Agency Response

We have updated the ?typos/ spell checks? in the section ?Part II: A1? of the revised CEO Endorsement document.

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request
Cleared.

Yes. The contribution from the baseline is clearly elaborated as past e-bus demonstration attempts have so far resulted in only 2 e-buses currently in operation in the country according to the project description ? the four components all outline additional measures building on existing national and city-level strategies and initiatives. Co-financing would benefit from some clarifications as detailed above.

Agency Response cleared

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request
Cleared

12/15/22:

Thank you for the submission of the calculation sheet annex. It is understood that this calculation will be revised at MTR stage based on the evolution of the project as needed.

11/15/22:

The annex H mentioned in the review sheet is not enclosed in the submission so far. In case this refers to the annexes of the agency project document, please submit the revised agency project document that includes this annex.

9/29/22:

There are changes in the calculation methodology (the causality factor is different) and outcome (lower GHG emission reduction expected, from 1,439,165t direct and 2,082,917t indirect to 238,665t direct and 496,364t indirect) which would warrant the submission of an updated calculation sheet based on a similar format as the one transmitted at PFD stage. The current Annex I of the attachment indeed provides a summarized breakdown of the various contribution to these figures in a word format which do not allow to verify how they were calculated. Furthermore, how the likelihood of reduced e-buses procurement impacts this calculation would also benefit from a clarification.

Please see also elements related to STAP/GEFSEC comments below, and address them in the resubmission.

Agency Response

GHG emission reduction calculations are explained in the "Annex H: Estimates of Direct and Consequential Greenhouse Gas Emission Reductions". The project strongly envisages 50 e-Buses deployment in two phases among 3 cities. If reduced e-Buses are deployed, then there will be equivalent emission reduction impact.

GHG calculations provided

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request
Cleared.

9/29/22:

The 4th component of the project focuses on preparing for a scaling up of electric buses based on the capitalization of demonstration projects from component 2, the national knowledge hub from component 3 and on the integrated policy environment fostered by component 1.

Agency Response Already cleared.

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request
Cleared.

9/29/22:

Yes, a map and geo-referenced information is provided in the body of the endorsement request with regards to the two participating cities.

Agency Response Already cleared.

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request
Cleared

11/15/22:

Thank you for the revisions which outline in more detail how the child project contributes to the overall program impact.

9/29/22:

Output 3.1 describes linkages with the global project in terms of structuring of the national knowledge hub. Component 1 also outlines how the global benchmarking on renewable energy integration and charging of e-buses as well as battery re-use and recycling will rely on the results of the global project. The SANEDI will be expected to provide data for the monitoring component of the global project during the PIR process.

Overall, several examples are given on how the child project will be impacted by the global programmatic approach but more explicit emphasis would be relevant on how the child project will contribute to the overall program impact. Linkages with the investment platform component of the global project could also be outlined as they are not addressed at this stage. Please elaborate further on this.

Agency Response

In the section ?Part II: A1? of the CEO Endorsement document, Component 1, Output 3.1 have been updated on how the child project will impact overall program. GEF Global ?Investment platform? linkage also included in Component 2 and Component 4.

Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request
Cleared.

12/15/22:

Remaining points related to co-financing under clarification in the relevant section

11/15/22:

Thank you for adding more details to the summary of stakeholder engagement during design phase

9/29/22:

Yes. A stakeholder engagement plan is detailed.

Agency Response Already cleared.

Gender Equality and Women?s Empowerment

Has the gender analysis been completed? Did the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities? If so, does the project/program include gender-responsive activities, gender-sensitive indicators and expected results?

Secretariat Comment at CEO Endorsement Request
Cleared

1/20/2023:

Thank you for the revisions

1/15/23:

On Gender: The project components and expected outputs include gender considerations, as reflected in the Gender Action Plan provided. It is therefore expected that the project results framework or logical framework will include gender-specific indicators. Please address this gap (in the current submission, the response is "No", which is probably a typo given that indicator 11 is gender-disaggregated).

9/29/22:

Yes, the gender analysis is completed in section 2.3. and a gender action plan is provided as an annex. Identified opportunities are integrated in program activities and related result framework.

Agency Response Already cleared.

Private Sector Engagement

If there is a private sector engagement, is there an elaboration of its role as a financier and/or as a stakeholder?

Secretariat Comment at CEO Endorsement Request
Cleared.

Private sector is not identified as a financier. Its role and future engagement in the supply chain as well as in the capacity building activities undertaken as part of the knowledge hub development are elaborated upon. Private sector is also expected to be a stakeholder in the component related to e-bus procurement, with regards to operation and maintenance activities.

Agency Response Already cleared

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request
Cleared

1/26/23:

The ESS screening annex has been signed and the low risk rating used for the CEO ER given that the ESS screening was the most recent and comprehensive.

1/24/23:

While not noted in the review sheet, it is noted from the revised CEO ER that the ESS safeguards category of annexes now only include the additional and more detailed preliminary ESS screening draft (Environmental, social and economic review note). However :

1. The attached ESERN screening is not signed and
2. there is a discrepancy between the risk rating in the ESERN and information provided in the portal section. The ESERN states a low risk but the risk rating in the portal section states moderate.

Could you please resubmit the document with a signature, clarify the discrepancy above and provide related revision as applicable regarding this rating.

1/15/23:

On Environmental and Social Safeguards: it was noted that the project's overall ESS risk is classified as moderate and the attached several documents as ESS related document. However, none of the document are ESS screening document which can lead to confusion. Furthermore, agencies are as per the guidelines to screen all 8 Environmental and Social Minimums Standard risks including social risks. From the current CEO Endorsement risks assessment, it is not clear whether these social risks have been assessed or not.

Please attach as ESS documents existing ESS screening documents in line with GEP policies and guidelines, if any available and resubmit the the other annexes using another appropriate submission category.

We note that in line with DBSA's Environmental and Social Safeguard Standard (ESSS) the project will be required to carry out an Environmental Impact Assessment (EIA) and develop both an Environmental Impact Assessment Report (EIAR) and Environmental and Social Management Plan (ESMP). These assessments will be conducted during the implementation of the project and are more applicable at the demonstration phase of the project.

Please confirm that the social risks are assessed as part of this EIA, corresponding to an Environmental and Social Impact Assessment, and that the corresponding plan to be conducted will thus be an Environmental and Social Management Plan based on the ESIA. Please also confirm that this ESIA will be conducted in the early stage of the project, as identified in the PPG status table, which currently includes a line for E&S analysis, and not just before the demonstration phase, in order to identify risks related to the whole project and address them throughout the project implementation. This will be monitored as per GEF guidelines and verified at MTR stage.

12/20/22:

It is noted that the risk and related mitigation measures are further elaborated in an annex. These refer to further mitigation measures that will be discussed during early-stage consultations and assessments regarding the risk related to part of the co-financing not materializing and to a limited demonstration effect. This annex answers the shortcoming of the previous details provided in the risk section and review sheet regarding the ability of cities to contribute with their budget to stabilize financing during phase 2.

12/15/22:

In connection with the additional information provided in the co-financing section of this review sheet, please revise the risk section regarding the risk related to a failure of part of the co-financing package to materialize and related risk on the demonstration potential of a scaled down e-buses procurement.

11/15/22:

Thank you for the added clarity in the risk section - this will be monitored at MTR stage.

9/29/22:

1. The risks related to a failure to materialize expected co-financing would benefit from more detailed mitigation measures as the co-financing letters referenced to not elaborate on measures to be taken during phase 1 in case the fiscal incentives do not materialize in order to fully contribute to phase 2.

2. Impacts of the covid19 context have been outlined but mitigation measures could be further detailed, in particular if it could be expected that further impacts could be observed that may hinder the smooth participation of mentioned cities in the project.

3. The risks related to limited GHG savings are not elaborated upon in sufficient details. How would the integration of renewable energy be linked to new usages related to e-fleet development and how low carbon charging stations will be identified is not explained in details.

4. Given the substantial risk identified regarding battery re-use, activities related to this issue could be further strengthened as they are addressed so far mainly through a global benchmarking exercise.

5. Climate risks are not yet identified ? a methodology is planned for November 2022 and will be applied to this project (to be confirmed with evaluation reports).

Agency Response

Updated this risk in the ?Part II: A6 risk section? based on the comment.

Climate risks are not yet identified ? a methodology is planned for November 2022 and will be applied to this project (to be confirmed with evaluation reports).

Agency Response: The methodology is still under consideration by the DBSA. It is expected that it would be finalized by 31 March 2023 and applied to the project at that point.

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

Cleared

12/20/22:

Thank you for the revision

12/15/22:

In light of the additional elements in the co-financing section, please revise the description of the scaling up component on the basis of the confirmed perspectives of coordination which will be further developed during project implementation.

11/15/22:

thank you for the added details on operational modalities - as detailed in section I.4 of this review sheet pn co-financing, further clarification would be needed in that section on the confirmed amounts.

9/29/22:

The scaling-up component includes the perspective of a climate facility that would blend funding with the green climate fund.

As detailed in the co-financing section, it would be relevant to clarify the operational modalities of this mechanism.

Agency Response

In the section "Part II: A1" Operational modality is explained in Output 4.2 under Component 4.

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

Cleared

11/15/22:

Thank you for the added clarity on the revised targets.

9/29/22:

The project mentions how the activities will align and build on national strategies and assessments. Regarding the Nationally Determined Contribution, the impact of the revised NDC submitted at the end of year 2021 on project development would be relevant to highlight (and linkages to its new targets). The same would be applicable to the recently developed Long term low emission development strategy. Please revise in the resubmission.

Agency Response

In the section ?Part II: B1? we have updated the linkage of revised NDC and Low Emission Development Strategy into the section of the revised document.

Knowledge Management

Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request Cleared

12/15/22:

Thank you for the submission of the annex and related workplan timeline.

11/15/22:

Thank you for the clarification. the referenced Annex I is however absent from the revised submission (it was included as annex J as part of the agency project document in the initial submission, please re-submit this revised document if this is still the document that contains the referenced annex).

9/29/22:

The approach relies on the development of the National strategic Roadmap developed for Electric Buses growth in public transportation, the National e-Mobility Knowledge Hub, and the e-Bus scale-up strategic roadmap.

A timeline is however not provided apart from the two-phased approach to e-bus procurement. This could be inferred based on annex J of the attachment titled Child CEO Endorsement_Accelerating shift towards electric mobility in South Africa GEF ID 10898.

Agency Response

The timeline for knowledge management activities is in sync with Annex I: Project Workplan

Updated workplan uploaded

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

Cleared

12/15/22:

Thank you for the submission of the annex which includes M&E budget. It is noted that the PMC table is not reflected on the portal CEO ER section - this is covered in the PMC item of this review sheet.

11/15/22:

Thank you for the clarification - our understanding is that the PMC costs related to coordination include M&E costs. The referenced Annex D is however absent from the revised submission (it was included as part of the agency project document in the initial submission, please re-submit this revised document if this is still the document that contains the referenced annex). Also, the PMC component of this annex is not reflected in the portal CEO ER (annex E: budget table) which only shows the budget related to project components. Please revise in the re-submission in order to show the whole PMC budget.

9/29/22:

Yes. Some indicated budget are however not detailed (a reference is made to PMU budget which is detailed in annex D of the attachment titled ?Child CEO Endorsement_Accelerating shift towards electric mobility in South Africa GEF ID 10898?)

Agency Response

The PMU budget is provided in ?Annex D: Detailed GEF Budget? and that is sufficient.

Detailed budget including PMC uploaded.

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

Cleared.

9/29/22:

Yes including terms of local industry development, air quality, affordability and acceptability of public transport.

Agency Response Already cleared.

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request
Cleared:

1/26/23

Thank you for the revisions

1. Office supplies and financial audits have been charged to PMC, and M&E totals are now consistent. components also now have their totals listed.
2. The agency project document annexes are updated accordingly and the document is enclosed.

1/24/23

1. Thank you for using the template in line with GEF guidelines and for reformatting. The change in format of the budget table in line with the GEF guidelines allowed to make the following observations:

- Office supplies are charged throughout the components, but need to be changed to PMC. Similarly, Audits are charged to M&E, but need to be covered by PMC ? could you please amend accordingly? Please bear in mind while doing so that total PMC costs are as per the GEF guidelines usually not recommended to exceed 5% of total project costs for a full-sized project.

- The budget table lacks the totals of each component, so we cannot compare them with the figures in Table B (Project Description Summary). Please add these totals in the Grand Total line. Also, the totals of M&E in Budget table (\$199,555) do not match the totals in M&E Budgeted plan (\$116,431) ? this is due to the shift mentioned just above regarding the financial audit which should be charged to the PMC. Could you please also amend the relevant line in the budget table (TE ? \$116,431) to confirm that the budget covers both Terminal Evaluation and MTR, in line with the budget identified in the M&E plan? Also, there is no M&E component/outcome/output in Table B neither. Could you please amend accordingly, in line with the above, to make the M&E budget appear in table B?

2. Project document update : please update the Agency project document in order to match the content of the CEO ER (in particular, with the up-to-date co-financing and project risks tables, and up to date annexes on project budget, PPG and co-financing letters).

1/15/23:

On the budget: the budget in Annex E is off margins (this is also the case for the Stakeholder Engagement Plan table and the Annex D table). Please review and upload a table that fits within the margins of the portal. For the format to be used for the budget table, the one which can be found on the following link, <https://www.thegef.org/documents/gef-project-budget-template> , is in line with the GEF guidelines where all expenses are organized by component. The reason for this request is that as it stands it is not possible to see if some expenses (i.e. Audits) are charged to the components or to the PMC.

12/20/22:

Thank you for the remaining annexes - it is noted that these are uploaded under ESS supporting documents and may require a re-categorization.

12/15/22:

Thank you for the missing annexes on work plan and ghg emissions calculations.

Some annexes remain to be submitted as part of the project ID portal consolidation (including budget table).

11/15/22:

See comments on missing annexes

Agency Response Missing annexes uploaded under ESS supporting documents.

Project Results Framework

Secretariat Comment at CEO Endorsement Request

Cleared

1/20/23

Thank you for the revisions

1/15/23:

On core-indicators: in addition to the adjustment on indicator 6.2 in the core indicator table (which is currently registered in the 6.1 section of the indicators table for GHG emissions in the AFOLU sector, instead of other sectors), please include core indicator 11 explicitly in the results framework (annex a). Currently only indicator 6.2 (GHG avoided) and 6.3 are reflected (MJ saved) in the objectives section of the annex, a third line should be added to reflect indicator 11 from the core indicators table (People benefiting from GEF-financed investments). Addressing this comment will contribute to address comment 2 above.

11/15/23

Provided in annex A of the attachment titled ?Child CEO Endorsement_Accelerating shift towards electric mobility in South Africa GEF ID 10898?

Agency Response Already cleared.

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

Cleared

1/31/23

Thank you for the revisions. Cleared.

1/30/23:

Comments have been addressed with a signed and consistent ESS screening and rating, reformatted budget in line with GEF guidelines and updated annexes.

However, there is a format glitch on the last portal submission that prevents the finalization of the clearance :

- The M&E component and correspondent financial amount are located in the PMC section in Table B instead of before.

- With this, the PMC is artificially increased to \$340,870, going to 7.7%, which is above the threshold of 5% for FSPs.

- The solution is as follows: could you please move the M&E costing above the PMC section, at the bottom of the components section, as its own component, named 'M&E'.

1/24/23:

Most comments have been addressed.

Please provide revisions regarding ESS (signature of the screening document, consistency with CEO ER rating), project budget (totals, M&E, shifts to PMC) and annex (update of agency project document)

NB : It is noted that for the PPG status an update may be needed as the funds are used regarding the workshop category.

01/15/23:

Please address the following policy-related comments :

1. Focal Area outcomes are missed in Table A ? please complete them (in line with the content of section D)

2. On Gender: The project components and expected outputs include gender considerations, as reflected in the Gender Action Plan provided. It is therefore expected that the project results framework or logical framework will include gender-specific indicators. Please address this gap (in the current submission, the response is 'No?', which is probably a typo given that indicator 11 is gender-disaggregated).

3. On Environmental and Social Safeguards: it was noted that the project's overall ESS risk is classified as moderate and the attached several documents as ESS related document. However, none of the document are ESS screening document which can lead to confusion. Furthermore, agencies are as per the guidelines to screen all 8 Environmental and Social Minimums Standard risks including social risks. From the current CEO Endorsement risks assessment, it is not clear whether these social risks have been assessed or not.

Please attach as ESS documents existing ESS screening documents in line with GEP policies and guidelines, if any available and resubmit the the other annexes using another appropriate submission category.

We note that in line with DBSA's Environmental and Social Safeguard Standard (ESSS) the project will be required to carry out an Environmental Impact Assessment (EIA) and develop both an Environmental Impact Assessment Report (EIAR) and Environmental and Social Management Plan (ESMP). These assessments will be conducted during the implementation of the project and are more applicable at the demonstration phase of the project.

Please confirm that the social risks are assessed as part of this EIA, corresponding to an Environmental and Social Impact Assessment, and that the corresponding plan to be conducted will thus be an Environmental and Social Management Plan based on the ESIA. Please also confirm that this ESIA will be conducted in the early stage of the project, as identified in the PPG status table, which currently includes a line for E&S analysis, and not just before the demonstration phase, in order to identify risks related to the whole project and address them throughout the project implementation. This will be monitored as per GEF guidelines and verified at MTR stage.

4. On core-indicators: in addition to the adjustment on indicator 6.2 in the core indicator table (which is currently registered in the 6.1 section of the indicators table for GHG emissions in the AFOLU sector, instead of other sectors), please include core indicator 11 explicitly in the results framework (annex a). Currently only indicator 6.2 (GHG avoided) and 6.3 are reflected (MJ saved) in the objectives section of the annex, a third line should be added to reflect indicator 11 from the core indicators table (People benefiting from GEF-financed investments). Addressing this comment will contribute to address comment 2 above.

5. On project information: the duration of the project (60 months/ 5 years) does not match the expected implementation start/completions date (58 months). Please review and revise accordingly.

6. On the budget: the budget in Annex E is off margins (this is also the case for the Stakeholder Engagement Plan table and the Annex D table). Please review and upload a table that fits within the margins of the portal. For the format to be used for the budget table, the one which can be found on the following link, <https://www.thegef.org/documents/gef-project-budget-template>, is in line with the GEF guidelines where all expenses are organized by component. The reason for this request is that as it stands it is not possible to see if some expenses (i.e. Audits) are charged to the components or to the PMC.

7. On the utilization of the PPG: please provide information on the amount committed. As it stands the amount spent to date does not match the budgeted amount. Please correct where necessary and include the missing \$ 61,013 and where there are expected to be used (in the 4th column ? amount committed).

8. If possible please include maps in Annex D and section 1b. showing where these locations are.

12/20/22:

Remaining points are summarized in the co-financing, risks, coordination items of this review sheet.

12/15/22:

Thank you for the submission of the annex, as noted in item I.7 of this review sheet.

Remaining points are summarized in the co-financing, risks, coordination and annexes item of this review sheet.

11/15/22:

The annex H mentioned in the review sheet is not enclosed in the submission so far. In case this refers to the annexes of the agency project document, please submit the revised agency project document that includes this annex.

9/29/22:

The answers to GEFSEC comments are gathered in an annex.

One of the main comments pertains to the GHG impact. The answers to GEFSEC at PFD stage on that regard (are however not reflected in details in the CEO endorsement request. Further clarification would be useful as detailed in other sections of the review sheet.

Agency Response

We have elaborated the GHG emission reduction calculation in ?Annex H: Estimates of Direct and Consequential Greenhouse Gas Emission Reductions?

GHG Calculations uploaded

Council comments

Secretariat Comment at CEO Endorsement Request
Cleared

11/15/22:

Thank you for the revisions throughout the project structure.

9/29/22:

The answers to Council comments are gathered in an annex.

While the answers provided at PFD level indicated that lessons learned from South Africa would be shared with regards to the development of tools to introduce e-buses in developing country environment, this is not reflected at this stage in the CEO endorsement request (see comment on item 9 of this review sheet).

Agency Response

The reference of this project on overall impact has been incorporated in revised CEO Endorsement submission (based on reference of comment on item 9).

STAP comments

Secretariat Comment at CEO Endorsement Request
Cleared

11/15/22:

Thank you for the revisions throughout the CEO ER.

9/29/22:

The answers to STAP comments are gathered in an annex.

The only comment directly related to South Africa in this table relates to how projects have been designed in a way to ensure that sufficient amount of low carbon power will be integrated in the electricity mix used to power the demonstration vehicles to yield net climate benefits. See GEFSEC comments above for the answer.

Agency Response

In the section Part II: A1.3? The comment has been addressed in Output 2.1 under component 2.

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request
Cleared

1/20/23:

Thank you for the precisions. The amount for the workshops seems too low for any activity to be performed. Please note that if this is the case in early implementation any unused fund should be returned to the TF as per GEF guidelines.

1/15/23:

On the utilization of the PPG: please provide information on the amount committed. As it stands the amount spent to date does not match the budgeted amount. Please correct where necessary and include the missing \$ 61,013 and where there are expected to be used (in the 4th column ? amount committed).

12/15/22:

The revised letter of endorsement for the PPG has been distributed and supporting information uploaded on the portal. On this basis, the advanced programming and utilization of the PPG is accounted for in annex C of the document and in the revised letter of request forwarded as an attachment by the agency.

The list of expenditures detailed in this submission is in line with GEF guidelines.

11/15/22:

The GEFSEC obtained confirmation from the GEF Trustee that the resources indicated in the Letter of Endorsement from the South Africa OFP will be made available for this project upon CEO Endorsement based on eligible amounts.

Please note however that the preparation and submission of the CEO endorsement document per se is not an eligible expense. Please clarify what the lines for "GEF Expert Contract Value" and "Extension of Contract Value" refer to and revise the table by listing detailed activities in line with eligible expenditures items as per the guidelines.

9/29/22:

No PPG allocated at this stage. As mentioned above, a clarification would be useful as some unclear references are still noted.

Agency Response updated PPG utilization in the CEO Endorsement.

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

Cleared

1/20/23:

Thank you for the revisions

1/15/23:

If possible please include maps in Annex D and section 1b. showing where these locations are.

Agency Response Already cleared.

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

N/A

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response N/A

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

1/31:

Remaining annexes and adjustments have been made. the project is cleared

1/30/23:

The project is technically cleared, a final format adjustment is however required on the PMC and M&E component presentation

1/15/23:

Not yet - please address the comments summarized in the GEF Secretariat comments section for resubmission.

12/15/22:

Not at this stage - final clarifications are requested regarding co-financing, risks to project objective, coordination and annexes.

11/15/22

Not at this stage. Agency is requested to address the comments and resubmit asap, in particular regarding co-financing, referenced annex on GHG emissions, work plan and full PMC costs., and PPG expenses.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	9/27/2022	
Additional Review (as necessary)	11/15/2022	
Additional Review (as necessary)	12/15/2022	
Additional Review (as necessary)	1/15/2023	
Additional Review (as necessary)	1/24/2023	

CEO Recommendation

Brief reasoning for CEO Recommendations

Since PFD stage, the impacts of the covid19 crisis has weighed on participating city?s budget space which has led to a restructuring of the financing structure for this project, accompanied by a set of mitigation measures.

With these measures, the project further aligns itself with the objective to develop innovative business models that go beyond business as usual, while mitigating the impacts of the covid19 crisis. The monitoring reports will provide regular updates on these points, with expected revisions of the GHG calculation and co-financing amounts based on the targeted demonstration effect towards upscaling, and with updates that will be provided on a full-scope ESIA for the project and on utilization of the PPG.