

Supporting Sustainable Transportation through the Shift to Electric Mobility in Jamaica

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10289

Countries

Jamaica

Project Name

Supporting Sustainable Transportation through the Shift to Electric Mobility in Jamaica

Agencies

UNDP

Date received by PM

12/11/2020

Review completed by PM

5/2/2021

Program Manager

Milena Vasquez

Focal Area

Climate Change

Project Type

MSP

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

4/9/2021: Please address comments below:

- Please adjust Rio Marker for Climate Change Mitigation to 2
- Please adjust Expected Implementation Start tp account for clearance and circulation to Council (as well as Expected Completion Date)
- We're sorry to see the change in focus of the project from public transport to private transport in a much smaller scale with less opportunity for scale up. Please comment on whether other options such as taxis and other carriage services were considered (which may have led to increased co-financing opportunities).

5/1/2021: Comments cleared.

Agency Response

1) Dates have been adjusted

2) We share your concern as it relates to the shift away from public transport centred around the JUTC in Kingston due to various circumstances, some of which could not be known at PIF.

While JUTC is a publicly owned company, we believe the most relevant classification to be made for the context of Jamaica is between 'shared transport' and 'dedicated transport'. Shared transport includes buses (buses, taxis and carriages, and rural transport). With the exception of JUTC, most operators are private, but access is open to all people (public transport). Dedicated transport include tourist bus services, hotel car services, and owned and leased cars. This service is in the private domain and mostly executed by private companies. Notably, also JUTC offers some dedicated transport. While clearly JUTC would be a major uptaker of electric buses, this did not prosper. The GEF project therefore chooses to demonstrate a variety of buses cases for EVs for adoption by a broad range of players. These include:

- Institutional transport for campuses, large companies, airport, typically done by EV shuttle buses (12-24 passengers). Direct interest by UWI.
- express and tourist services (12-32 passengers), for which demand exists along the North Coast tourist corridor (Kingston - Ocho Rios - Montego Bay). Interest to invest exists from companies including ATL Group (Marriott), Knutsford Express.
- Medium (24 pp) and large buses (52pp) by JUTC. Interest to invest in a first batch (5 buses) was voiced by National Govt Q2 2020, but did not prosper so far. Knowhow provided by the GEF Project is key for JUTC and MTM to define technical specs and lay out a charging network which would require funding through GOJ.
- Light duty vehicles (light cargo) in use by postal services, commercial parcel services (DHL, Fedex etc).

JPSCo is an important player to invest in charging stations across Kingston and island-wide. We believe the above parties are most appropriate partners for the GEF project promote to invest in EV in the near future, as they all are well consolidated. The GEF Project will demonstrate these business cases at and serving the UWI campus to demonstrate technical feasibility, collect operational data and as such, de-risk future EV investment. Market interest is shown by additional cofinancing letters from Stewart Autosales Ltd and ATL Holding Ltd (attached).

Involvement of JUTC franchises and the taxi/carriage services is tedious as they are a diffuse group of stakeholders which is difficult to approach effectively by the GEF Project (in practice: UNDP or the GOJ). We agree that EV is a valid business case as these taxis are utilized intensively, potentially reducing operational costs for the owner while avoiding emissions of pollutants in the urban area. The GEF Project will deploy some EV cars in conjunction with UWI to demonstrate this option. The Project will seek to implement this option in partnership with a service provider (taxi company, car lease) to increase leverage. This option needs further elaboration, once GEF funding is available.

There is further strong commitment from the Jamaica New Car Dealers Association, and the Jamaica Used Car Dealers Association, to import EVs and hybrid cars into Jamaica, in response to market demand.

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

4/9/2021: Please address comments below:

- Overall the structure is clear, but there seems to be some disconnect between the outcomes under Component 1 and 4, and the pilot demonstration (Component 2) and "scale up" (Component 3), that are not in line with the ambition of the project objective. See additional comments under alternative scenario.

- Please adjust the portion of PMC that is covered by co-financing (5%) so that it is more proportional to that covered by the GEF (10%).

5/1/2021: Comments cleared. We note the PMC is still not quite proportional with GEF resources, but it was doubled from \$300,000 to \$600,000. Given the additional co-financing, the proportion remains similar. However, PM is aware of the challenges getting co-financing confirmed for this project in the current context of the country and given most of it is in-kind, believes this to be acceptable.

Agency Response

1) We would like to note that the structure of the child projects was prescribed by the Global Program and we were not supposed to deviate from this. Yet, we also noted that C3 and C4 somewhat oversell the actual outputs to be delivered. This holds true for Jamaica and most other countries (SIDS) where policy and regulatory framework are still incipient. We assume that the Global Programme tried to find a common mould for both the more and less advanced countries.

A section explaining the Global Programme and its relation to the child projects has been included in the CEO ER (par 81-86).

Concerning C3, we envisioned professional training to bus drivers, technicians and first responders (firebrigades, ambulances etc) in collaboration with the Heart NTA, to address a barrier duly identified by the Global Programme. Since funding for such training was reportedly already covered by other donors, we opted for focusing on more

academic training and outputs. As a result of our re-engagement with stakeholders to respond to GEFSec comments, we identified that GEF support for training was still relevant. As such, a new output 3.1.4 (US\$ 30,000 GEF) is presented (PRODOC par 121-124).

We were further able to secure cofinance from private sector expecting to deploy and/or sale battery EVs during the Project's time horizon. Note that up to 2020, only hybrid cars and plug-in hybrids are being sold in Jamaica (both new and second-hand). In 2021, agencies announce to import the first 100% battery EVs in Jamaica, as yet only in the high market segment. Agencies wish to see technology standards for Jamaica adopted, a more favourable import duty scheme, and more value-oriented models (i.e. for middle-class customers). Also, some leading brands do not authorize exports of their models to Jamaica if environmental policy (i.e. for battery management and recycling) is not in place. This limits the market prospects for the new car dealers. With these barriers being reduced with GEF support, sales will increase. Total committed cofinance from 2 car agencies is US\$ 3,810,000. Early-market uptake is reflected by creating a new output 3.1.5 (PRODOC, par 125)

2) PMC Cofinance is increased to US\$ 600,000.

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

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

●4/9/2021: Please address comments below:

●- The level of co-financing is quite low, especially considering that it has all been identified as recurrent expenditures. Please comment on why other involved government ministries are missing, in particular the Ministry of Transport and Mining (MTM) and MSET. In addition, for such a project we would expect private sector co-financing from technology providers as well as from financial institutions--which could considerably be identified as investment mobilized. Please clarify.

- Please provide more details on the initiatives focused on e-mobility is the MHURECC referring to in its co-financing letter.
- Please upload co-financing letter from the University of the West Indies.
-
- 5/6/2021: Comments above cleared. We are happy to see the additional co-financing from private sector actors.
- We note that now that there is co-financing identified as "investment mobilized" this should be explained in the area below Table C. Please provide explanation.
-
- 5/7/2021: Comment cleared.
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Agency Response

1) We understand your concerns. The PPG team worked very hard to deliver but the project context proved complex. Some key circumstances to highlight are:

- The Jamaica child project was included in the Global Programme without a solid in-country fact-checking, resulting in rather ambitious cofinance levels and assuming JUTC was fully on-board. Engagement with JUTC was below expectations.

- MSET was expected to take lead from the perspective of the energy sector (both fuels and renewable electricity generation). For reasons not fully clear to us, this Ministry indicated not to be in a position to execute the project. Note that MSET is currently also being reorganised. Yet, the nexus with energy policy and the country's Integrated Resource Planning for the electricity sector, is considered and remains fully relevant.

- During 2020, GOJ announced to procure EV buses for JUTC under public procurement, which would have been a very positive signal and in direct support to the original PIF. The process did not go forward however. Without assigned fiscal budget to this, MTM did not make a commitment.

- This explains the low cofinance so far obtained from GOJ partners other than HURECC.

We succeeded to strengthen cofinance to 11,474,500 with the additional letters, as follows:

- Car agencies (new output 3.1.5, see above). US\$ 3,810,000

- Battery scheme development (output 4.1.2 and 3) US\$ 500,000.

- Public sector interest (MTM/JUTC), - US\$1,164,500

2) Clarification provided to HURECC cofinancing letter in CEO ER.

3) UWI Letter from Nov 2020 uploaded

5/7/21. Explanation is provided in CEO ER below table C

- ATL Ltd anticipates sales of emobility equipment (cars and ancillary systems) for the Jamaican market, partially upfront and partly through a mix of customer financing (cash, consumer credits, leasing)

- Tropical Battery Ltd has committed investment in emobility batteries (including replacement market), workshop facilities for battery testing, repair, disposal, safety) and technological upgrading

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 4/9/2021: Yes.

Agency Response

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 4/9/2021: Yes.

Agency Response

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

4/9/2021: Please address comments below:

- Please remove entry from Indicator 6.1 (which refers to emissions avoided in the AFOLU sector) and is making the amount of total tons CO₂e to be duplicated.

- Please clarify why the anticipated start year of accounting is 2025, considering that the pilots will take place during the project's lifetime.

- Please provide a summary explanation for how the targets were calculated for both Core Indicators 6 and 11 in the space provided below the table.

5/1/2021: Comments cleared.

Agency Response

1) Updated

2) Accounting of progress towards indicator will be done annually (at PIR). Since activities during first project years (YR 1 and YR 2) are essentially technical assistance (policy and pilot preparatory studies), deployment of EV assets will be in later project years (YR 3 and YR 4), as per Results Framework (CEO ER, p.33).

In Prodoc Annex 12 (Table p.10), EV market development is assumed to grow post-project, with 2025 as the base year. We expect this to be a realistic scenario given the substantial hurdles to be taken (effective policy designed and implemented; tax policy; technical standards; roll-out of EV charging infrastructure; EV waste management mechanisms in place; and for JUTC, to establish a conducive business context for operating EV buses). The year 2025 offers a clear landmark to start post-project counting. The indicated baseline figures (0%) may be somewhat higher by then (possibly 1%), which is still negligible.

3) Summary information from Prodoc Annex 12 incorporated into CEO ER Section F (project target contributions to GEF Core Indicators) Due to some minor adjustments made in Annex 12, this document is re-uploaded as well.

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

4/9/2021: Please address comments below:

- It was not clear from this section whether there is any experience in Jamaica on EV's. Please clarify.

5/1/2021: Comments cleared.

Agency Response

1) See above, only by 2021 the first battery EVs are expected in Jamaica (high segment). Field experiences with EVs in Jamaica so far concern hybrids including plug-ins. A See CEO ER par. 41. ?JPSCo has installed a pilot charging station at its premises in Kingston. The utility partnered with Jamaica?s ATL Automotive Group for the installation of a 3-plug Level 2 EV charging station at the new AC Marriott Hotel in

Kingston. (...) Initial coverage could be assured by a grid of ten (10) charging stations to demonstrate EV across the country?

To this can be added the availability of plug-in hybrids and full hybrids from various dealers in Jamaica. There is no experience with rolling out a charging infrastructure (as plug-ins are charged behind the meter), neither training on handling and O&M of full EVs (which have much larger batteries than hybrids).

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

Secretariat Comment at CEO Endorsement Request

4/9/2021: Please address comments below:

- Considering the direct relevance of the work carried out with the IDB on the draft Strategic Framework for Electric Mobility additional information on this is required. What was the timeframe of this activity and key outcomes? How is the government implementing the action lines described? How is this project specifically building on them (and avoiding duplicative efforts)? Does this initiative have any scaling up potential that this project is focusing on?

- Also provide additional details on the Technical Working Group headed by MSET, which seems key to addressing the barrier of disconnect between the different ministries related to emobility.

- Please clarify how it has been demonstrated "that very substantial expansion of electricity generation in Jamaica would be required to serve a large EV fleet" when in the previous sentence it explains that the demand projections to not consider electric mobility expansion. Are there other analyses for these scenarios?

5/1/2021: Comments cleared.

Agency Response

1) Engagement with IDB Jamaica started August 2019 as GOJ asked to carefully coordinate proposed activities between agencies. IDB's involvement is outlined in CEO ER par 39. It is noted that the ?JEVCAR? program is a container concept rather than a formal initiative, providing a framework for IDB, bilaterals, and the UNDP/GEF project, to hook on. The formally defined IDB operations are listed in the paragraph. A webinar was held in February 2020 to present the Strategic Framework (SFEM). To our knowledge, it is not formally adopted by GOJ (MSET). We understand that some IDB funding instruments are conditional to the acceptance of the SFEM but specific information has not been disclosed to UNDP or HURECC. Late 2020, UNDP and

HURECC prepared a 'coordination matrix' asked for by GOJ (PIOJ). A direct partnership UNDP-IDB is not foreseen as each responds to a different GOJ entity. Both agencies are committed to avoiding any doubling of efforts.

From our observations, we see that GOJ is moving slowly: the SFEM road map is not implemented (yet) and Technical Working Group (TWG) activity is low. Last year (2020) was an election year, leading to policy decisions being postponed for the next (current) government. In the absence of officially released GOJ information however, we refrain from speculating about possible causes for the delay. Yet, we tend to believe that awareness in GOJ is growing about the far-reaching and systemic impact of the EV transition, affecting a broad range of policy fields including fuel policy, vehicle and fuel tax mechanisms, parallel upgrades of T&D, investment in RE generation, licensing of EV charging stations, etc.

While 'the ball is in GOJ's court', the GEF project provides TA to help GOJ close its knowledge gaps, which is crucial for effectively coordinating across sectors (energy, transport, finance) and lay out the path forward. This is the purpose of Project component 1.

Market actors are putting pressure since EV is a valid business case for many vehicle operators. We expect (hope) GOJ will respond within 1-2 years, implying GEF support would be very relevant and timely. Financiers, including IDB Invest, are eager to lend to (private) market players. The business models tested by the GEF project (through the pilots) can be used as a template for upscaling.

2) See previous response. The Technical Working Group (TWG) has not been very active so far. In our perception, internal GOJ coordination is still at a lower level than assumed at PIF. This affects GEF project design but similarly, the initiatives proposed by other agencies (e.g. 'JEVCAR').

3) Please refer to the footnote: 'Doubling (100% increase) of electricity production would be needed to replace diesel fuel; gasoline replacement would imply 200% increase of electricity production'. See also: PRODOC par 6: 'The electric energy available for final uses is 2,006 kboe, which is 46.2% of the inputs used by the sector (4,347 kboe) including from RE sources. As such, total electricity supply represents 11.9% of final energy use (16,917 kboe), which is just one-third of conventional road transport fuels.'

In simple words: transport energy consumption in Jamaica is far larger than total electricity production. Hence, to work towards a 100% electric road transport sector in Jamaica would require a 3-fold expansion of the electricity sector.

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

4/9/2021: Please address comments below:

- Considering what seems to be a strong baseline by the IDB's JEVCAR program, it seems a missed opportunity for this project to not be more directly linked. Please clarify.

Component 1

- Please clarify how the project will work with the Technical Working Group (TWG), which according to the baseline is working towards EV policy development and sector regulation. Are there any policies or regulations that have developed from the TWG's work? What is the expected timeline for having any proposals developed with support from the project to be adopted by Cabinet (considering the previous experience with the support for MEPS that were never adopted)? How will the project manage this risk to ensure it has an impact on the enabling environment for Electric mobility for public and private transportation?

Component 2

- Please clarify if the UWI has plans and a budget to support the gradual replacement of its fleet to E-vehicles as well as to potentially install additional charging stations (in particular powered by RE). It is not clear what the sustainability and scale up potential after this pilot demonstration will be and considering the lack of investment mobilized identified, it does not appear to be already integrated.

- Please comment on how exactly this pilot demonstration will benefit public stakeholders (MTM, MSET, JUTC and private sector associations) and how cost-benefit analysis expected from the experience will build (and not duplicate) work already carried out through the JEVCAR program.

Component 3

- While this component includes important awareness raising and capacity-building activities, we are not sure how this component is supporting the scale-up and replication of electric mobility, neither at the site of the pilot demonstration, nor outside of that context. Please clarify.

- Considering the lack of co-financing mobilized, we are not sure how this project is prioritizing supporting commercial start-ups. Please clarify.

Component 4

- Please confirm that the toolkits under Output 4.1.1 will incorporate information related to the main outcome of this component, to address environmental challenges of e-mobility, in particular as it relates to batteries and the expansion of RE for charging.

Please clarify if the output will focus just on producing toolkits or whether there may be some additional capacity-building/training opportunities for key public and private sector stakeholders.

- Please comment on how this Output will be informed by Component 2 and will inform work under Component 1. The project does not clearly explain yet how all the components are interrelated.

5/1/2021: Comments cleared.

Agency Response

1) Please refer response to Q2.

CI-1) Reference is made to the Project Organisation Structure, Prodoc par 183 (figure). Essentially, the beneficiary representatives (MTM, MSET, MFPS complemented by PIOJ, which coordinates international cooperation) coincide with the TWG members. This is done intentionally to streamline coordination and ensure leverage at the decision-making level (the TWG).

- So far, the TWG has not jointly produced policies or regulation. High-level coordination does take place but not formally through the TWG.

- We believe that GOJ will need 18-30 months to prepare and operationalise policy and regulation. Internal capacity gaps exist, which can be covered by external funding (such as IDB and GEF). The main bottleneck is political, whether or not a proposal is formally adopted.

- Rather than a matter of timeline, we acknowledge that the policy risk is substantial and cannot be fully controlled (see Risk Table #8). The Project strategy (aligned with other actors) is to build momentum and facilitate the process, rather than putting forward a specific output (such as policy document) that would not be adopted. We expect to have good progress after Project Year 2), also because GOJ is urged to act now by many market actors (car dealers, JPSCo). Ideally, we would like to see a gradual shift of GOJ ownership from HURECC to the sector ministries MSET, MTM, and MFPS (the TWG) during project execution.

C2-1) We acknowledge that the UWI has not yet an integrated plan to invest in electric mobility. Yet, the UWI has a clear vision as reflected in the Master Plan. UWI's overarching goals are two-fold: (1) to remain the university of choice in the region (academic excellence); and (2) to transform the campus to intensify its use, including higher buildings for student accommodation than thus far. Water management to control

flooding is an important technical domain as well in the context of adaptation to climate change.

No budget has been allocated so far for EV and, as an academic institution, UWI faces financial constraints to invest. Traditionally, UWI has relied on own capital but currently considers outsourcing of services and systems. Notably, UWI implemented an autonomous energy generation and HVAC (chiller) plant under a Build-Own-Operate scheme, which serves the entire campus.

Similarly, third-party operated schemes are considered including for upgrading the transport system (buses and shuttles) and the envisioned new parking building - with opportunity for EV charging. The GEF project will demonstrate business models and provide operational data to assist UWI to evaluate alternatives. A key aspect for UWI is a rational fleet composition allowing cost-effective O&M.

In this context, the GEF project team will give preference to flexible schemes such as leasing from commercial car agencies, under which the Project will cover the incremental costs vs the baseline (deployment of ICE vehicles), rather than donating hardware to UWI. The subsequent steps will be detailed between UWI and the Project team in a project plan as part of the agreement with UWI.

C2-2) See previous responses as to the status of JEV CAR. As indicated under Q4, the Project envisions delivering inputs for a variety of public and private vehicle operators in Jamaica. Please note that systematic and monitored deployment of EVs is not yet taking place in Jamaica. The GEF project will fill this gap. In principle, IDB anticipates data collection at JUTC routes, but plans have not materialised so far. Doubling of efforts is avoided by coordination (PSC members, TWG, PIOJ). The UWI pilot proposes a variety of EV schemes and can be flexibly adjusted to avoid repeated field pilots.

Project engagement with investors for upscaling is strengthened by the new output 3.1.5. Presented in the PRODOC, par 125 is a figure from PFD to explain role of GEF project and uptake by cofinanciers.

C3-1) Please refer to Q2 related to the child project structure as required by the Global Programme. The PPG work found that market development is still more incipient than assumed at PIF, hence market uptake will take longer than initially expected (assumed).

For resubmission, we have expanded the scope of C3 by including vocational training, and by creating the output towards early-market uptake (see previous responses). We believe this strengthens overall integration of project components.

C3-2) Note that additional cofinance is obtained as described above.

The start-ups are aimed at tapping into the potential offered by mobility, not only data and billing systems, but also design of transport systems (logistics) based on EVs. We believe that supporting start-ups is more dynamic and sustainable than offering courses by external consultants. COVID 19 constraints did not allow us to engage at the level needed with UWI and GOJ to detail this output to the desired level. Yet we expect to leverage additional funding for start-ups through the UWI incubator and private sector involvement. Note that also logistics and billing solutions for EVs such as e-bikes, shuttle buses etc are considered.

The GEF budget for the start-ups is slightly reduced to free up funding for the new outputs. See budget breakdowns in PRODOC.

C4-1) We confirm that toolkits will absorb all results from the project. Capacity building including training and awareness raising are key aspects of the toolkits, as our goal is to influence policy makers at MTM, MSET, MFPS, and NEPA (environment) to grasp relevant issues and learn about possible ways forward.

The development of the toolkits including initial policy proposals shall be programmed in the first half of the Project to ensure their impact. Towards the end of the project, updated versions are envisioned incorporating national experiences.

C4-2) Please refer to previous answer. We acknowledge the challenge for Jamaica to devise an effective EV battery disposal mechanism. We expect guidance from the Global Programme on this issue. The major concern is battery management for imported used cars (including hybrids), for which no closed supplier ecosystem is in place. As of 2021, some new car dealers in Jamaica are open to extended supplier responsibility schemes but currently face regulatory constraints (including for transboundary transport of waste). NEPA is the GOJ entity in charge, which is fully on board on this matter. We are confident that progress will be made in the Caribbean region, as many islands are facing the same issue.

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

Secretariat Comment at CEO Endorsement Request

4/9/2021:Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

4/9/2021: The incremental reasoning of the project could be strengthened based on comments above.

Agency Response

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

4/9/2021: See comments above on Core Indicator tables. We note additional details on calculation are provided in Annex to Project Document.

Agency Response

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

4/9/2021: We are concerned about the sustainability and potential for scale up of the project considering the low amount of co-financing and risk of proposed policies and standards not being adopted. Please strengthen.

5/1/2021: Comments cleared.

Agency Response

1) Please refer to previous responses. Cofinance has been strengthened demonstrating the appetite from market players. Scaling-up has been incorporated as new output 3.1.5).

We acknowledge the policy risk (Risk Table No 8) and have increased this risk level to moderate.

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

4/9/2021: Yes.

Agency Response

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

4/9/2021: Yes, and the project activities integrate linkages to the Global Programme.

Agency Response

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

4/9/2021: We note that there were no CSO's identified in the table of stakeholders, yet the project identifies their role as "consulted only". Please add to the table.

5/1/2021: Comments cleared.

Agency Response

1) CSOs (commuters and women) are tagged as such in the table, CEO ER par 86. The lack of formal representation is briefly described. The assigned role is changed into "other" and explained. (See also Risk Table #2.)

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

4/9/2021: The gender analysis and action plan is provided. Please answer the last question in this section: **Will the project's results framework or logical framework include gender-sensitive indicators?**

5/1/2021: Comments cleared.

Agency Response

Yes, gender-sensitive indicators are included.

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

4/9/2021: Private sector engagement by this project is quite weak. Please strengthen and identify how it may play a role both as financier and stakeholder.

5/1/2021: Comments cleared.

Agency Response

Please refer to previous responses. Cofinance has been increased and linkage with investors made explicit by new output 3.1.5. A paragraph (par 91) has been added to CEO ER.

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

4/9/2021: Please provide a more thorough climate risk assessment following STAP guidelines. Please also provide an assessment of risks posed by the COVID pandemic (and potential opportunities for supporting a green recovery). Please consider adding a

risk regarding the potential lack of adoption of policies and standards by the government.

5/1/2021: These responses should be added to the Portal.

5/7/2021: Comment cleared.

Agency Response

7-may-2021: risk assesment was added to risk section in the portal, see paragraphs 96-97.

STAP guidelines ask:

(i) How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately?

(ii) Has the sensitivity to climate change, and its impacts, been assessed?

(iii) Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with?

(iv) What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures?

In this context, we wish to reiterate the existence of the following document funded by USAID (Vulnerability Assessment of Jamaica's Transport Sector, prepared by Maria Fernanda Zermoglio and Owen Scott (Chemonics International Inc.), for the United States Agency for International Development (USAID) - Climate Change Adaptation, Thought Leadership and Assessments (ATLAS), Washington DC, USA, March 2018.). The main findings as to what makes Jamaica's transport sector vulnerable to climate changes, are as follows:

1) A highly heterogeneous topographic environment. Jamaica has an extensive coastline and rugged mountains that are subject to landslides, extreme weather (inclement weather) and seismic events, as well as a diverse network of rivers and streams. These all contribute to its vulnerability to hydro-meteorological hazards, which impact the transport sector, people and economic activities.

2) Limited scheduling and financing of infrastructure maintenance.

3) Unregulated land use change and outdated construction codes. Sidewalks, pavement, roads and other impermeable surfaces have reduced the absorptive capacity of the landscape, exacerbating erosion from flooding caused by extreme storm events as the water essentially gets channeled through these impermeable surfaces.

4) Inconsistent planning and limited consideration related to increased urbanization and population growth. This growth and migration over the last several decades was unplanned, often resulting in squatter occupation of available lands, in many cases in high-risk areas such as those prone to landslides and flooding.

5) A highly concentrated coastal population. Jamaica's population is concentrated in coastal areas that are vulnerable to storm surges and flooding. Given the tourism

sector's prominence in the country's economy, development of the coastline is likely to continue. Many cities and towns occupy highly vulnerable locations such as riverbanks, unstable hillsides, deforested lands or fragile water catchments.

6) Policies and planning measures that lack sufficient climate change considerations. Neither the NTP nor the Vision 2030 Transport Sector Plan (TSP) includes meaningful climate change considerations. As a result, the sector developed rapidly over the past 20 to 30 years with limited consideration for disaster risk and little planning for a changing climate. While certain projects have accounted for climate change in their design, a comprehensive approach will be needed to climate-proof existing infrastructure.

7) Insufficient climate and weather data for decision making. Recent efforts by the University of the West Indies, Mona Campus (UWI Mona) Climate Studies Group (CSGM) and by the Meteorological Service of Jamaica (MSJ) have worked to address this issue, but reliable data on return periods, rainfall, disaster risk and climate projections continue to be insufficient and difficult to access. Where data do exist, many of the transport stakeholders involved in policy, planning and implementation do not have sufficient in-house expertise to analyze the data and incorporate them in a meaningful way into decision making and design.

This assessment, nor our own analysis, have found factors that may specifically affect electric mobility. We draw the following conclusions:

- Need for mainstreaming of climate risks into national policy. This concerns all GOJ actors present in the PSC (and TWG).

- A specific areas of concern are RE generation (IRP 2018, to be expanded to include EV demand).

- Road infrastructure is a concern in KMTR. Flooding and water management are key aspects of UWI's Master Plan. Accessibility is compromised under heavy stormwater conditions, affecting all types of vehicles.

- Climate and vulnerability data collection is an ongoing concern, for which UWI is already a partner.

Given the Project's focus on Technical Assistance, we deem STAP guidelines (i ? iii) are adequately covered. A critical aspect for resilience concerns electricity generation, to be addressed by the IRP. Note that MSET recommended the integration of PV systems for decentralised power generation to increase resilience. Guideline (iv) remains a concern as current institutional capacity is insufficient due to systemic weaknesses. The GOJ would benefit from a comprehensive approach to integrate climate resilience into policy building and sector policies, including climate budgeting. UNDP will advocate for increasing awareness at the highest level in Jamaica. We will further feed this finding into the Global Programme and seek sustained support for all SIDS in the Caribbean, which are generally in a similar position.

COVID risks have been mainstreamed into Risk Table #1, notably its tendency to increase inequality. With a view on the original PIF, COVID puts into question the entire paradigm of massive collective transport, such as provided by JUTC. Useful

lessons for the medium-term will be brought into Jamaica from global experiences, in particular those countries with perduring contagion levels. However, this public health aspect is intrinsically linked to service quality and enforcement of safety and personnel and public health on board. Jamaica has a long way to go here.

Future transport demands will change due to COVID and expectedly will be smaller-scale, flexible and/or individualized. As the originally envisioned JUTC pilot did not prosper, the project proponents took benefit from the situation to devise the much more flexible and lean pilot with UWI to develop a broad range of electric mobility modes, complemented with intelligent business add-ons to deliver the services (the start-ups from the UWI incubator). We believe this offers a much more future-oriented and ?Covid-proof? package than the original PIF delivering lasting impact and transformational changes ? even if this does not translate into immediate investment and large cofinance.

The policy risk is included in Risk Table #8. Its impact on project implementation is mitigated by working at the supportive level, rather than directly acting at the decision-making level. We believe this is the best way forward, as demonstrated by earlier experiences including Fuel Efficiency and the recent IDB-funded emobility framework. Yet the development risk is substantial, i.e. there one cannot discard that GOJ may not adopt EV policy and regulation. This risk cannot be controlled directly by the GEF Project alone. We expect that sufficient momentum is being built, by UNDP/GEF, IDB and others, and primarily the Jamaican market who is asking for EVs, so GOJ will respond (by late 2023). In response, we have increased Risk #8 level to moderate in the Risk Log (CEO ER par 92 table).

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

4/9/2021: Institutional arrangements and coordination are well explained. We note that the UNDP audit checklist seems to be missing checkmarks in some boxes for Yes or No to be marked. Please review.

5/1/2021: Comments cleared.

Agency Response

Signed checklist addresses implementation modality and execution arrangements

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

4/9/2021: Yes.

Agency Response

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

4/9/2021: Please provide a table summarizing the budgeted KM activities/deliverables.

5/6/2021: This should be added to the Portal.

5/7/2021: Comment cleared.

Agency Response

The following table was added as after paragraph 116.

Knowledge Management Activities		
Output		GEF Budget
3.1.3	Implementation of on-campus events and workshops targeting academia, government, private sector companies, investors and end-users	US\$ 50,000
4.1.1	Crafting a suite of knowledge products and toolkits targeting policy developers and institutional users of eMobility solutions	US\$ 64,359
5.1.1	Implementation of Project's Knowledge Management and Communication Strategy	US\$ 27,000

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

4/9/2021: Yes.

Agency Response

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

4/9/2021: Yes.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

4/9/2021: The ESS risks have been assessed as moderate. Proposed management measures are provided.

5/6/2021: Miscellaneous expenses have been charged across the components. Please remove them or charge to the PMC part of the co-financing.

5/7/2021: Comment cleared.

Agency Response

5/7/21: Budget line miscellaneous has been removed as requested.

Project Results Framework

Secretariat Comment at CEO Endorsement Request 4/9/2021: Yes.

Agency Response

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request

4/9/2021: Please add relevant Council comments and responses from the PFD.

5/6/2021: The comments are included but there are not responses (not even at programmatic level). Please add responses, they can be the same from Global Program.

5/7/2021: Comment cleared.

Agency Response

Council and STAP comments included in the table CEO ER Annex B

7-may-2021 Council and STAP comments and GP responses added to GEF portal CEO ER template.

STAP comments

Secretariat Comment at CEO Endorsement Request

4/9/2021: Please add relevant STAP comments and responses from PFD.

5/6/2021: The comments are included but there are not responses (not even at programmatic level). Please add responses, they can be the same from Global Program.

5/7/2021: Comment cleared.

Agency Response

Council and STAP comments included in the table CEO ER Annex B

7-may-2021 Council and STAP comments and GP responses added to GEF portal CEO ER template

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request 4/9/2021: Yes.

Agency Response **The table has been updated provided current figures.**
Project maps and coordinates

Secretariat Comment at CEO Endorsement Request 4/9/2021: Yes.

Agency Response
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

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
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

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

12/23/2020: Please resubmit and include the Checklist for CEO Endorsement Template duly filled out for this.

4/9/2021: Please address comments.

5/6/2021: Please address remaining comments. In addition, please re-paste the budget to correct the formatting (it has to be legible and printable).

5/7/2021: All comments have been adequately addressed. PM recommends CEO Endorsement.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	12/23/2020	
Additional Review (as necessary)	4/9/2021	
Additional Review (as necessary)	5/6/2021	
Additional Review (as necessary)	5/7/2021	
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations