



# Integrated Program for HFC Phasing Down and Sustainable Cooling for Tajikistan

Review PIF and Make a recommendation

## Basic project information

**GEF ID**

11430

**Countries**

Tajikistan

**Project Name**

Integrated Program for HFC Phasing Down and Sustainable Cooling for Tajikistan

**Agencies**

UNDP

**Date received by PM**

10/19/2023

**Review completed by PM**

11/28/2023

**Program Manager**

Evelyn Swain

**Focal Area**

Chemicals and Waste

**Project Type**

FSP

## **GEF-8 PROJECT IDENTIFICATION FORM (PIF) REVIEW SHEET**

### **1. General Project Information / Eligibility**

a) Does the project meet the criteria for eligibility for GEF funding?

b) Is the General Project Information table correctly populated?

Secretariat's Comments Yes, this project is eligible under the Montreal Protocol window of the CW strategy.

Agency's Comments

### **2. Project Summary**

**Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?**

Secretariat's Comments Yes.

Agency's Comments

### **3 Indicative Project Overview**

**3.1 a) Is the project objective presented as a concise statement and clear?**

**b) Are the components, outcomes and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?**

Secretariat's Comments Yes, this project is clear and the components are well developed.

Agency's Comments

**3.2 Are gender dimensions, knowledge management, and monitoring and evaluation included within the project components and appropriately funded?**

Secretariat's Comments

1. Gender (comment provided by Verona): Please consider targeting women in Outputs 2.1.2, 2.1.3, 2.2.1. Please ensure that the Gender Action Plan to be developed is resourced/budgeted and is monitored and reported on.

ES, 11/28/23: Agency responded to the gender comments and included gender in the suggested components. Comment cleared.

### Agency's Comments

UNDP notes the GEF comment and made relevant changes. Outputs updated as follows:

Results 2.1.2, 2.1.3, 2.2.1 in the new version:

2.1.2. Vocational training systems and certification bodies through revision/improving the refrigeration technicians training programs strengthened, **(including women as per Gender Action Plan)** .

2.1.3. Participation of technical staff **(at least 25% women)** in meetings and conferences related to low-GWP and energy efficient technologies supported.

2.2.1. Training centres for the training of young technicians **(including women)** upgraded and equipped.

**3.3 a) Are the components adequately funded?**

**b) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?**

**c) Is the PMC equal to or below 5% of the total GEF grant for FSPs or 10% for MSPs? If the requested PMC is above the caps, has an exception (e.g. for regional projects) been sufficiently substantiated?**

### Secretariat's Comments

Comment from PPO:

1. On the PMC Proportionality: there is not proportionality in the co-financing contribution to PMC. If the GEF contribution is kept at 4.95%, for a co-financing of \$35,300,000 the expected contribution to PMC must be around \$1,765,000 instead of \$1,250,000 (which is 3.5%). As the costs associated with the project management must be covered by the GEF portion and the co-financing portion allocated to the PMC, the GEF contribution and the co-financing contribution must be proportional, which means that the GEF contribution to PMC might be decreased and the co-financing contribution to PMC might be increased to reach a similar level. Please ask the Agency to amend either by increasing the co-financing portion and/or by reducing the GEF portion. A more definitive estimation of PMC will be presented and adjusted at CEO Endorsement stage.

ES, 11/28/23: PMC has been adjusted. Comment cleared.

### Agency's Comments

UNDP notes the GEF comment and made relevant changes. Co-financing for the PMC contribution has been adjusted to USD 1,765,000.

## 4 Project Outline

### A. Project Rationale

#### 4.1 SITUATION ANALYSIS

**a) is the current situation (including global environmental problems, key contextual drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective?**

**b) Are the key barriers and enablers identified?**

### Secretariat's Comments

Baseline: The HFC consumption baseline presented in the project proposal (546,018 CO<sub>2</sub> eq t) differs from the official baseline published on the Ozone Secretariat's website (446,600 CO<sub>2</sub> eq t). In line with Multilateral Fund policies, funding could only be recommended once consumption data inconsistencies are resolved. In this particular case, the baseline presented in the project is 22 per cent higher than the baseline in the Ozone Secretariat's website, which could have potential implications on compliance and the level of funds to be approved under Multilateral Fund policies and guidelines.

ES, 11/28/23: The baseline was revised. Comment cleared.

### Agency's Comments

UNDP notes the GEF comment and made relevant changes.

The baseline was indeed revised as reflected on the Ozone Secretariat's website. The PIF submitted to the GEF Secretariat has been revised and updated; accordingly, the 2023 data collection and analysis report outline the present scenario and future trajectory of HFC consumption across sectors and delves into the possibilities and challenges of adopting low-GWP alternatives to HFCs. Based on the annual average of HFC consumption between 2011 to 2013, which was 392,162 tCO<sub>2</sub>eq considering 25% of the baseline HCFC consumption of 54,432 tCO<sub>2</sub>eq - the finalized official HFC consumption baseline for Tajikistan under the Kigali Amendment stands at 446,600 tCO<sub>2</sub>-eq.

Thus, based on the above the calculation of HFC consumption baseline for 2011-2013 looks as follows:

Regulated Substances	2011, HFC Consumption in metric tons	2011 HFC Consumption in tCO <sub>2</sub> -eq	2012 HFC Consumption in metric tons	2012 HFC Consumption in tCO <sub>2</sub> -eq	2013 HFC Consumption in metric tons	2013 HFC Consumption in tCO <sub>2</sub> -eq
HFC 134a	85.657	122,490	92.510	132,289	105.125	150,312
HFC 404a	20.052	78,645	20.589	80,751	21.962	86,130
HFC 407c	4.515	8,010	4.876	8,650	5.541	9,837
HFC 410a	35.224	73,548	38.042	79,432	43.230	90,267
HFC 507c	0.685	2,729	0.751	2,992	0.792	3,150
HFC 365mfc/227fa	53.119	58,909	73.525	81,539	96.310	106,800
<b>Total HFC Consumption in tCO<sub>2</sub>-eq</b>		<b>344,330</b>		<b>385,654</b>		<b>446,521</b>

Furthermore, the HFC reduction steps as per Kigali Amendment was calculated as follows:

	<b>Non-Article 5: Belarus, The Russian Federation, Kazakhstan, Tajikistan and Uzbekistan</b>	<b>t<sub>2011</sub>-eq.</b>
<b>Baseline Years</b>	2011, 2012 ? 2013	
<b>Baseline Calculation</b>	Average Production/Consumption of HFCs in 2011, 2012 and 2013	<b>392,168</b>

		Plus <b>25%</b> of HCFC baseline	
		Production/Consumption	<b>54,432</b>
<b>Total Kigali Amendment Baseline (t??2-eq)</b>			<b>446,600</b>
<b>HFC Phase Down Steps</b>			
Step 1	2020	5%	<b>424,270</b>
Step 2	2025	35%	<b>290,290</b>
Step 3	2029	70%	<b>133,980</b>
Step 4	2034	80%	<b>109,204</b>
Step 5	2036	85%	<b>66,990</b>

#### 4.2 JUSTIFICATION FOR PROJECT

- a) Is there an indication of why the project approach has been selected over other potential options?
- b) Does it ensure resilience to future changes in the drivers?
- c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?
- d) are the relevant stakeholders and their roles adequately described?

Secretariat's Comments Yes.

Agency's Comments

**5 B. Project Description**

**5.1 THEORY OF CHANGE**

**a) Is there a concise theory of change that describes the project logic, including how the project design elements will contribute to the objective, the expected causal pathways, and the key assumptions underlying these?**

**b) Are the key outputs of each component defined (where possible)?**

Secretariat's Comments Yes.

Agency's Comments

**5.2 INCREMENTAL/ADDITIONAL COST REASONING**

**Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?**

Secretariat's Comments Yes.

Agency's Comments

**5.3 IMPLEMENTATION FRAMEWORK**

**a) Is the institutional setting, including potential executing partners, outlined and a rationale provided?**

**b) Comments to proposed agency execution support (if agency expects to request exception).**

**c) is there a description of potential coordination and cooperation with ongoing GEF-financed projects/programs and other bilateral/multilateral initiatives in the project area**

**d) are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?**

Secretariat's Comments

1. Section "Coordination and Cooperation with Ongoing Initiatives and Project", is empty? please ask the Agency to complete this section.

ES, 11/28/23: Section added. Comment cleared.

Agency's Comments



UNDP notes the GEF comment and made relevant changes and following text has been included in the PIF Section "Coordination and Cooperation with ongoing initiatives and projects:

The project will continue to leverage the established collaboration between UNDP and the UNEP Ozone Action program to create regional networks and share experiences with other countries. This has proven effective during the GEF and MSF programs on the CFC and methyl bromide phase, and the regional GEF-UNDP HCFC Project Phase 1 and national GEF-HCFC Project Phase 2;

" There are several ongoing projects in Tajikistan from other agencies related to the development of alternatives to HFCs and the RAC sector, as well as energy efficiency, climate change mitigation and adaptation, with which this project will collaborate and can improve the efficiency of HFC management:

-UNICEF project - GAVI CDS - within the framework of this project, equipment for a cold chain system for the transportation and storage of vaccines in medical institutions is to be purchased and installed (USD 3,399,618);

- UNICEF project - GAVI TCA - within the framework of this project, maintenance, repair and training of cold chain equipment for vaccines throughout the country is planned; (USD 1,400,000);

- UNICEF-GAVI CCEOP-2 project - within the framework of this project, monitoring, inventory, procurement, implementation, training and maintenance of cold chain equipment for vaccines in remote regions of the country is planned; (USD 1,200,000);

- ADB projects on renewable energy and energy efficiency for climate change mitigation and adaptation:

- Grant 0417-TAJ: Wholesale Metering and Transmission Reinforcement Project

- Grant 0778-TAJ: Power Sector Development Program

**5.4 a) Are the identified core indicators calculated using the methodology included in the corresponding Guidelines (GEF/C.54/11/Rev.01)?**

**b) Are the project's indicative targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable?**

#### Secretariat's Comments

In 2022, Tajikistan consumed 423,827 CO<sub>2</sub>-eq tonnes of HFC, as per the Article 7 data report submitted to the Ozone Secretariat, which meets the first level of a 5 per cent reduction from its baseline required since 2020. Although the consumption in 2020 and 2021 is higher than the limit of 424,270 CO<sub>2</sub>-eq tonnes, the country ratified the Kigali Amendment in 2022.

The consumption of HFCs in 2022 is under the first target of 5 per cent reduction. However, the second reduction of 35 per cent by 2025 appears to be highly challenging due to the limited time left. Therefore, the project proposal is intended to reduce the demand for HFCs and enable the country's compliance with the HFC phase-down as per the Kigali Amendment.

ES, 11/28/23: Response provided. Comment cleared.

### Agency's Comments

UNDP notes the GEF comment and please kindly see below response accordingly:

According to the Ozone Secretariat, Tajikistan's Kigali Amendment baseline is indeed 446,600 tons of CO<sub>2</sub> equivalent. A reduction in the first stage of 5%, which means that until 2025 the limit should be no more than 424,270 tCO<sub>2</sub>e.

In 2020 and 2021, HFC consumption exceeded the limit, but in 2022 the country ratified the Kigali Amendment. The licensing system and quotas have been changed and approved by the Government on August 29, 2023. HFC consumption in 2022, as reported to the Secretariat, was 423,827 tCO<sub>2</sub>e, which corresponds to a 5% reduction threshold (424,270 tCO<sub>2</sub>e).

Additionally, response to the comments of MLFSEC has been uploaded to the portal for your kind reference.

### **5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?**

Secretariat's Comments NA

### Agency's Comments

#### **5.6 RISKS**

**a) Are climate risks and other main risks relevant to the project described and addressed within the project concept design?**

**b) Are the key risks that might affect the project preparation and implementation phases identified and adequately rated?**

**c) Are environmental and social risks, impacts and management measures adequately screened and rated at this stage and consistent with requirements set out in SD/PL/03?**

Secretariat's Comments Yes

Agency's Comments

**5.7 Qualitative assessment**

**a) Does the project intend to be well integrated, durable, and transformative?**

**b) Is there potential for innovation and scaling-up?**

**c) Will the project contribute to an improved alignment of national policies (policy coherence)?**

Secretariat's Comments This project will address HFCs in an innovative ways that will be a model for the region.

Agency's Comments

**6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities**

**6.1 Is the project adequately aligned with focal area and integrated program strategies and objectives, and/or adaptation priorities?**

Secretariat's Comments Yes, this project is aligned with the CW focal area.

Agency's Comments

**6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors)**

Secretariat's Comments Yes, this project is aligned with the MLF.

Agency's Comments

**6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e. BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?**

Secretariat's Comments NA

Agency's Comments

**7 D. Policy Requirements**

**7.1 Is the Policy Requirements section completed?**

Secretariat's Comments Yes.

#### Agency's Comments

**7.2 Is a list of stakeholders consulted during PIF development, including dates of these consultations, provided?**

#### Secretariat's Comments

1. Stakeholder engagement (comment provided by Gabriella): agree with PM comment. In addition, while the project states that it has consulted with civil society organizations, the it does not include information on these or their relevant role related to project outcomes. Please as agency to elaborate further the information on these stakeholders and their respective role related to project outcomes.

ES, 11/28/23: Stakeholder engagement has been elaborated. Comment cleared.

#### Agency's Comments

UNDP notes the GEF comment and the following information has been included to the PIF's Stakeholder Engagement section.

##### 1. Non-governmental organizations:

NGO Association of Workers of the Refrigeration Sector (Center of Artificial Refrigeration of the Republic of Tajikistan): The Association of Workers of the Refrigeration Sector gathers the main participants in the equipment service and assembly sector and serves to disseminate experience and best practices in this sector, performs the functions of representation, organization and protection of customer interests.

Members are involved in the installation, design, supply, maintenance of refrigeration and air conditioning equipment;

NGO (National Association of Small and Medium Businesses of the Republic of Tajikistan (NAM and SB RT)):

Members of the Association expressed interest on the one hand, as employers, on the other, as producers of goods and services, as well as the interests of small and medium-sized businesses in general, NAM and the Security Council of the Republic of Tajikistan actively take part in the public and political life of the state.

This includes the preparation and implementation of the most important legislative initiatives on the protection of the ozone layer and climate change, affecting business development in the Republic of Tajikistan, in order to improve the business environment and improve the country's rating.

? NGO ?National Association of Business Women of Tajikistan?: women entrepreneurs are gathered into a single network to exchange experiences, establish business connections and promote women?s entrepreneurship both in general and in the RAC sector. It also supports women to improve both professional and personal skills including strengthening of potential, increase knowledge and skills to develop their own business and improve economic well-being.

2. Private commercial sector:

? RAC service companies (maintenance, equipment assembly):

Rembyttehnika Khujand LLC, EKAUD LLC, Vostok LLC, Realtex LLC, Armon LLC, Shodruz LLC and other private enterprises

? Foam sector companies (producing foam materials):

LLC "Nurplast", LLC "Farovon" and other private enterprises

? Large users of products and equipment containing HFCs:

- Industrial enterprises for food processing and storage
- Agricultural enterprises for storage and processing of products.
- Shopping centers and supermarket chains for storing and selling food products.
- Mobile cellular communications enterprises, large banks - stations, servers and offices.
- Cinema and concert facilities, Hotel facilities, Sports complexes

These sectors are the main consumers of HFCs, products and equipment containing HFCs, resulting in the country's complete dependence on these high-GWP chemicals. These are primarily influencing the HFC phase-out, and their cooperation is essential to the progress of the project

? Companies and entities importing/exporting HFCs and products containing them:

Tamiri Yakhdon LLC, Visol LLC, Tekhnokhol LLC and other private enterprises

These entities are the main suppliers of HFCs and products/equipment containing HFCs, which also influence the consumption of HFCs in terms of quotas and illegal import/export of both new HFCs and products containing them and recovered HFCs.

## **8 Annexes**

### **Annex A: Financing Tables**

**8.1 Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):**

**STAR allocation?**

Secretariat's Comments NA

Agency's Comments

**Focal Area allocation?**

Secretariat's Comments Yes

Agency's Comments

**LDCF under the principle of equitable access?**

Secretariat's Comments NA

Agency's Comments

**SCCF A (SIDS)?**

Secretariat's Comments NA

Agency's Comments

**SCCF B (Tech Transfer, Innovation, Private Sector)?**

Secretariat's Comments NA

Agency's Comments

**Focal Area Set Aside?**

Secretariat's Comments NA

#### Agency's Comments

**8.2 Is the PPG requested within the allowable cap (per size of project)? If requested, has an exception (e.g. for regional projects) been sufficiently substantiated?**

Secretariat's Comments Yes.

#### Agency's Comments

**8.3 Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?**

#### Secretariat's Comments

1. Co-financing (comments provided by Omid):

- Please replace "others" to "Donor Agency" for World Bank, ADB, and EBRD as the source of co-financier
- Please replace "recurrent expenditures" to "grant" for all sources of co-financing where grant is categorized as recurrent expenditures.
- 
- ES, 11/28/23: co-financing adjusted. Comment cleared.

#### Agency's Comments

UNDP notes the GEF comments.

Annex A adjusted accordingly.

Related to second comment in the investment mobilized column there are only investment mobilized and current expenditure option therefore investment mobilized option has been selected for all selected grants in the type of co-finance column.

#### **Annex B: Endorsements**

**8.4 Has the project been endorsed by the country's(ies) GEF OFP and has the OFP at the time of PIF submission name and position been checked against the GEF database?**

Secretariat's Comments Yes.

#### Agency's Comments

**Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?**

Secretariat's Comments Yes.

Agency's Comments

**Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?**

Secretariat's Comments

PPO comments:

1. Letter of Endorsement: the template utilized for this project removed the footnote that conditions the selection of the executing partner to the following: "Subject to the capacity assessment carried out by the GEF Implementing Agency, as appropriate". Per the attached email back in March when we were aiming to constitute June 2023 Work Program, Agencies were informed that LoEs "with modifications cannot be accepted and will be returned". While the removal of the footnote seems to be trivial, it is not: this footnote reduces the chances of having an executing partner that does not meet the fiduciary and procurement standards required to safely execute the project. Please get an email from the OFP accepting this footnote to be part of the LoE (this is an alternative to request a new LoE).

ES, 11/28/23: email from OFP was provided.

2. Letter of Endorsement includes UNDP as executing Agency, but there is no letter of support signed by OFP. Please search for the language that was provided by GPU Manager (Claude) in previous work programs indicating that the clearance of this PIF cannot be taken as an approval for the implementing agency to execute the project because further analysis on the country's reasoning for this request is warranted.

Agency's Comments

Email from OFP was provided accordingly.

**8.5 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project to be submitted?**



Secretariat's Comments NA

Agency's Comments

**Annex C: Project Location**

**8.6 Is there preliminary georeferenced information and a map of the project's intended location?**

Secretariat's Comments Yes.

Agency's Comments

**Annex D: Safeguards Screen and Rating**

**8.7 If there are safeguard screening documents or other ESS documents prepared, have these been uploaded to the GEF Portal?**

Secretariat's Comments Yes.

Agency's Comments

**Annex E: Rio Markers**

**8.8 Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?**

Secretariat's Comments

Climate rio markers should be added.

ES, 11/28/23: Adjusted. Comment cleared.

Agency's Comments

UNDP notes the GEF comment and PIF adjusted accordingly.

**Annex F: Taxonomy Worksheet**

**8.9 Is the project properly tagged with the appropriate keywords?**

Secretariat's Comments Yes.

Agency's Comments

**Annex G: NGI Relevant Annexes**

**8.10 Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments. Is the Partner Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat's Comments NA

Agency's Comments

**9 GEFSEC Decision**

**9.1 Is the PIF and PPG (if requested) recommended for technical clearance?**

Secretariat's Comments

Not at this time. Some issues remain.

ES, 11/28/23: Technical clearance is recommended.

The clearance of this PIF cannot be taken as the approval of the GEF agency to execute the project because further analysis on the country's reasoning for this request is warranted and will be assessed during project endorsement.

Agency's Comments

**9.2 Additional Comments to be considered by the Agency at the time of CEO Endorsement/ Approval**

Secretariat's Comments

Agency's Comments

**Review Dates**

**PIF Review**

**Agency Response**

<b>First Review</b>	<b>11/6/2023</b>	
<b>Additional Review (as necessary)</b>	<b>11/28/2023</b>	
<b>Additional Review (as necessary)</b>	<b>11/30/2023</b>	
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		