

# Tashkent - Accelerating Investments in Low Emission Vehicles (TAILEV)

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10282

**Countries**

Uzbekistan

**Project Name**

Tashkent - Accelerating Investments in Low Emission Vehicles (TAILEV)

**Agencies**

UNDP

**Date received by PM**

12/11/2020

**Review completed by PM**

**Program Manager**

Filippo Berardi

**Focal Area**

Climate Change

**Project Type**

FSP

## 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

rev. 05/03/21 NOTE: 1. Please submit both track changes (if any) and **clear pdf version of the PRODOC**. The clean version once cleared will be circulated to Council. 2. Please remove any remaining yellow highlights from the live portal version of the CEO ER.

**This item is cleared.**

rev 04/28/2021, FB

03/26/2021, FB:

Yes, the project is align with element indicated in Table A, however Agency should note comments in section #2 below regarding non-eligibility of CCM-1-2 funding for urban spatial planning interventions outside the SC IP.

#### Agency Response

UNDP, 03/05/2021: The Checklist for CEO Endorsement is now duly filled and signed.

The project document (prodoc) is uploaded again with correction of minor clerical errors.

UNDP, 04/26/2021:

Revisions were made in the CEO ER and prodoc. Details of responses are provided below for each review item.

UNDP, 05/05/2021:

1. The following Prodoc versions were uploaded to the portal: Track changes (MS Word) and Clean (PDF).
2. Yellow highlights were removed from CEO ER and live portal version.

**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

**This item is cleared.**

rev. 05/05/21, FB

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**04/28/2021, FB:**

1. Cleared.

2.a. Cleared.

2.b. Cleared.

2.c. Cleared.

2.d. Cleared.

2.e. Cleared.

3. While additional information and cost breakdown was provided on component 2, it is still unclear what is being covered with the GEF budget for component 3. In particular, GEF funding cannot be used to procure equipment or fund monitoring systems for local air quality (NO<sub>x</sub>, SO<sub>2</sub>, hydrogen sulfide (H<sub>2</sub>S), PM<sub>10</sub>, PM<sub>2.5</sub>). This was mentioned already in the first round of the GEFSEC review : "...a number of activities are ineligible for GEF financing and should be covered with counterpart. These includes 1.2, 3.2 and 3.3." GEF financing should only cover generation and monitoring of global environmental benefits (GHGs/Kyoto gases), and not monitoring of local air pollution.

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**03/26/2021, FB:**

1. This project is a child project so it does not have a PIF approved to compare it with. All comparison in terms of alignment needs to be done with the PFD for the Global Program and the Child Project concept that was submitted with the PFD. The PIF originally submitted was withdrawn by the Agency and not submitted to or approved by GEF Council.

2. Theory of Change: this project includes two very different, although related, objectives: (i) support for the introduction of Green Corridors for Urban Transport, and (ii) introduction and testing of e-buses.

2.a: Nor the ProDoc nor the CEO ER document describe what a Green Urban Transport Corridor is in the context of this project. A functional definition and description should be included.

2.b: The Problem Tree (very useful) highlights as one of the 3 key root causes of the problem "traffic congestion". It is not clear what this project will do to alleviate that problem? How will the promotion of GCTUs solve this problem. For instance: will the GCUT be new dedicated lanes only for buses, which will make the service more efficient and therefore expand ridership? If so, this needs to be made explicit and the consequences in terms of emission reductions would need to be accounted for and explained. In other words, there is a disconnect between some of the problem identified and the solution proposed, or there is a missing explanation to make this link clearer.

2.c: GEF-7 CCM cannot finance urban spatial planning, outside of the Sustainable Cities Impact Program. GEF funding should be directed to components related to e-buses (policy, TA and investments) and co-financing funding should be used for baseline activities that relate to green lanes and infrastructures. Therefore, a number of activities are ineligible for GEF financing and should be covered with counterpart. These includes 1.2, 3.2 and 3.3. Since there is no breakdown between GEF and co-financing at output level, it cannot be determined whether these activities are to be funded only by counterpart. Please provide confirmation of this, in writing, in the ProDoc and in the CEO ER.

2.d: Related to the point above, while it is clear what it is being referred to when talking about "de-risking" of e-buses financing, it is not clear what de-risking means when applied to GCTU. Please clarify what this means, and offer an explanation in the documents.

2.e: There are a number of other activities, including but not limited to 2.1, 2.2. To make it easier to understand the resources being allocated to e-buses, vs GCTU green infra, please provide an expected breakdown of the budget at output level, between GEF and

co-financing resources. It may be helpful to think that the GCTU could be operated with ICE buses, or with e-buses. The GEF resources should be used to cover the incremental cost to move from ICE to e-buses, but not to build the bus corridors themselves.

3. Component 3 seems to have a very large amount listed as TA. A breakdown by output will help clarifying why. Also, please clarify what the \$90 listed as investment under component 3 are related to.

### Agency Response

UNDP, 04/26/2021:

1. The wording of PIF has been changed to "Child Project Concept" throughout the CEO ER document.

2. The responses are as following:

2.a: A detailed description of GUTC has been inserted to the CEO ER Para 13 and ProDoc Para 10.

2.b: The project aims to remove all 3 barriers/problems through several interventions. In terms of traffic congestions that is causing air pollution and higher carbon emissions, the project aims to increase the public transport ridership through improvements in the urban transport systems with shorter travel times, quality e-vehicles and improved mobility experience. In this respect, additional text has been inserted to CEO ER and Prodoc to underline the raised concerns. Please refer to Para 8 and 17 of CEO ER and Para 5, 11 and 23 of ProDoc.

2.c: A detailed definition of GUTC has now been provided in CEO ER Para 13 and ProDoc Para 10. We believe that with the clarification of GUTC definition, which is centered around e-buses, that the GUTC can conform with the current GEF 7 strategy. Also, a budget table is presented in Prodoc Results and Partnership Section, under Outcome 2 (Para 23) summarizing the GEF and Co-finance efforts per outputs and activities to clarify the GEF contribution with respect to co-financing of partners.

2.d: The project sees GUTC as a transit corridor that is centered around e-bus concept, and therefore de-risking of GUTCs is an extension of de-risking efforts for e-buses. Clarifications has been made in the CEO ER Para 13 in response to this comment.

2.e: A budget table has been added to ProDoc Results and Partnership Section, Outcome 2 (Para 23).

3. Project activities to be implemented under component 3 are detailed in the Prodoc Results and Partnership Section, Component 3. Total TA budget is estimated at \$467,415 for this component. Within this, almost \$186,000 has been allocated to international and national consultants (please refer to budget notes provided in Prodoc, Total Budget and Work Plan Section). A budget around \$100,000 will be spent for baseline surveys under 3.1.3, 3.1.5, and guidelines for e-buses and charging stations. Rest of the budget will be spent on trainings, workshops, development and implementation of curriculum and travel costs. A budget table similar to the one under Component 2 can be provided for component 3, if requested by GEF.

The only item which is investment is contained in Activity 3.2.2 which includes the procurement and installation of automated hardware (gas analyzers) and software complex "PAK-8816". Installing these equipment along the Shota Rustaveli GUTC to monitor air pollutants ??, NOx, SO2, hydrogen sulfide (H2S), PM10, PM2.5 and CO2 from the baseline to the post-project scenario will allow Goscomecology to monitor air quality and CO2 benefits of the project.

UNDP, 05/05/2021:

3. A detailed budget table has been inserted under component 3. Moreover, Air Quality and GHG emission measurement related equipment will be purchased with third party co-financing and not by GEF resources. The additional funding will be raised by the project team during the implementation. Finally, the \$90,000 that was previously reserved for equipment now will be allocated to the following activities:

Activity 3.1.1: Preparing and publishing knowledge products for the guidelines. (\$15,000)

Activity 3.3.3: Preparing and publishing Tashkent GUTC knowledge product. (\$15,000)

Activity 3.4.1: Preparing and publishing training materials. (\$15,000)

Activity 3.4.2: Organizing 8 workshops instead of 6. (\$16,000)

Activity 3.7.1: Audio visual documentations. (\$5,000)

Activity 3.7.2: Increasing the number of workshops to 9 from 6. (\$24,000)

All relevant changes were made in the activities under Output 3.2. (prodoc), budget (prodoc and CEO ER Table B) and budget notes as well as a minor change in the Para 28 of CEO ER under Stakeholders Section.

**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

•This item is cleared.

rev. 05/05/21, FB

•04/28/2021, FB:

•1. Cleared. Thank you for the explanation.

2.a+b. Edits to Table C, in response to comments 2.a and 2.b. are not showing in the portal. Please confirm whether this is an omission or a technical problem:

#### C. Sources of Co-financing for the Project by name and by type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)	Evidence
GEF Agency	UNDP	Grant	Recurrent expenditures	300,000.00	
Recipient Country Government	Ministry of Transport	In-kind	Recurrent expenditures	500,000.00	
Recipient Country Government	Ministry of Transport	Equity	Recurrent expenditures	6,500,000.00	
Other	JSC "Toshshakhartranskhizmat" 1	In-kind	Recurrent expenditures	3,000,000.00	
Other	JSC "Toshshakhartranskhizmat"	Equity	Investment mobilized	3,600,000.00	
Recipient Country Government	Tashkent City Municipality 2	In-kind	Recurrent expenditures		
Recipient Country	Tashkent City	Public	Investment	2,800,000.00	

2.c: Cleared.

•3. Cleared.

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•03/26/2021, FB:

1. Co-financing: While the ratio of Co-Financing to GEF Project Financing (7.4:1) is in line with the level of ambition set up by the GEF Co-Financing Policy, we are noting a significant reduction in the co-financing communicated at the time of the approval of the PFD. Please provide an explanation for such a significant reduction from the expectations at the time of Council approval.

2. Table C:

2.a: UNDP's 300k cofinancing from TRAC is listed as grant, but recurrent expenditures. Please clarify how a grant is to be considered recurrent expenditures and not investment mobilized.

2.b: The second line of contribution from MoT is classified as "equity" but also as "recurrent expenditures", instead of investment mobilized. Please clarify why and consider revising it.

2.c: Tashkent City Municipality (first line) is empty (has not \$ amount). Please revise.

3. PMC: However, the co-financing portion of the PMC is low. Please either increase the co-financing portion of the PMC or decrease the GEF PMC portion, so the ratio Co-financing PMC/GEF PMC is close to the ratio between GEF financing to co-financing.

## Agency Response

UNDP, 04/26/2021:

1. Explanation on co-finance amount changes has been inserted in CEO ER Para 19. The decrease in co-financing amounts between Child Project Concept and CEO ER is due two reasons.

The first one is the overall decrease in the government ? municipality co-financing amounts. The foreseen government co-financing for the Fargona Yuli BRT corridor by TCM and Tashkent Public Bus Company (Government decision as per the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan ?On the measures aimed at improving the public transport system of Tashkent City?, #157 dated of March 16, 2020) in 2020 was put in hold. This is prior to the COVID19 pandemic coming into effect in Uzbekistan which shifted the government priorities towards prevention and recovery activities and Government stopped provision of any funding commitments to other initiatives temporarily. Therefore, the amount of co-financing from the government organizations has dropped down, though not totally terminated.

Secondly, the expected co-financing figures from the private companies in truck and bus production sector has also decreased. Initially, the co-financing was expected from producer of CNG buses in Uzbekistan (MAN Auto) who supplied those buses for public transport in Uzbekistan under the government contracts for public funding, and from Siemens representation in Uzbekistan as related to the charging infrastructure. As a result of the consultations with both organizations during the project design stage, both organizations raised their interest to participate in bidding for supply of e-buses and charging infrastructure, which created potential conflict of interest. As such, these private sector companies did not provide co-financing letters.

2.a: The correction was made in Table C and UNDP co-financing has been indicated as Investment Mobilized.

2.b: Similarly, correction was made in the table.

2.c: This row has been left empty intentionally to clarify (with a footnote) that there is no double counting as the co-finance letter of Municipality indicates that their contribution will also cover the activities done by the JSC "Toshshakhartranskhizmat" as the company affiliates to both Municipality and Ministry of Transport as per the structure approved by the Government. Mr. Anvar Juraev (signed the letter of co-financing for \$6.5 mln) has two positions: Head of Tashkent City Transport Department of the Ministry of Transport and Head of the Tashkent City Public Transport Company (JSC "Toshshakhartranskhizmat") under the Tashkent City Municipality (TCM).

3. The co-finance amount for the PMC has been increased to 1,050,350 to balance the 7:1 ratio.

UNDP, 05/05/2021:

2.a+b: This was an omission, now corrected. The changes were made in the portal with Investment Mobilized selected.

#### **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  
**this item is cleared.**

**03/24/2021, FB:**

Yes, financing listed in Table D appears to be adequate to meet project objectives.

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  
**this item is cleared.**

**03/24/2021, FB:**

Yes, the PPG utilization status report is included in the document.

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  
**this item is cleared.**

**04/29/2021, FB:**

1. Cleared.
2. Cleared.
3. Cleared.

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**03/24/2021, FB:**

The section on Global Environmental Benefits and Table E (core indicators) should be edited to address the following comments:

1. The core indicators reported in the CEO ER have changed significantly from the child project concept note submitted at the time of the approval of the Global Program PFD. Direct emission reductions were revised downwards from 217,000 tons to 20,700, and indirect emission reductions from 5.6million tons to 690,000 tons. This is a significant change and seems to be related to confusion in the way information is presented. Please see below

2. As per Annex 7 of the ProDoc, the figure of 690,000 tons is actually related to what is called direct "post-project" emission reductions. However, the way these are calculated in the ProDoc is not in line with the GEF manual, which defines direct post-project reductions as "*Direct post-project emission reductions achieved through those investments that are supported by GEF-sponsored revolving financial mechanisms still active after the project's conclusion*". In this case there is no revolving financial instrument that is funded by the project and is expected to continue to operate after project closure. This category of emission reductions should be removed.

3. With respect to the emission reductions defined as "consequential", those are in fact to be called indirect, and be reported in the CEO ER's section on Core Indicators, under "Expected metric tons of CO<sub>2</sub> (indirect)". However, the calculation needs to be better explained. In particular, it is not clear if the 114 million tons to which a causality factor of 10% is applied are the total estimated emissions from the road transport sector, or the total estimated emission reduction potential through overtime introduction of EVs, without the GEF intervention. This latter should be used to calculate the theoretical reduction potential (dynamic baseline) onto which the GEF causality factor should be applied.

#### Agency Response

UNDP, 04/26/2021:

1 & 2: As a follow up to the GEF comment, the direct post project GHG emissions (690,000tCO<sub>2</sub>eq) were removed from the project. Currently, the project has 3 different GHG figures: direct, indirect top-down and indirect bottom up. The documents were revised accordingly.

Regarding the direct GHG emission reduction decrease between Child Project Concept and the CEO ER, clarifications were made in CEO ER Para 21. The main difference of figures comes from the parameters used for calculations.

- In the initial calculation, it was estimated that emission reductions would come from 100 buses operating for 10 years and reductions coming from modal changes due to the BRT system with a length of 20 km.

- PPG team has come up with calculations only based on emissions reduction from 30 buses operating over shorter BRT+GUTC route.

3. The "Consequential Emissions" terminology has been replaced with "indirect" throughout the documents. The Consequential Emission terminology has been used in first place as per the GEF Guidance (GEF/C.48/Inf.09) on Guidelines for GHG Emissions Accounting and Reporting for GEF Projects which indicates

*"the document introduces an improved terminology for the term "indirect emissions reduction" to better describe the GHG impacts achieved by GEF projects after closure and outside the project logical framework (logframe). These impacts are recommended to be redefined as "consequential emission reductions" in the new methodological frameworks and the revised existing methodologies.*

Regarding the indirect GHG calculations, the 114 million tCO<sub>2</sub>Eq is the amount of GHG emissions from road transport expected after the 10 years of End of Project time (2027-2036). Since we see the growth of EVs as being close to zero without this Project, the 114 million also serves as the potential for the GEF intervention. The PPG team applied 0.1 causality factor and reached to 11.4 Million tCO<sub>2</sub>eq GHG emission reductions estimate for the top-down indirect GHG calculation.

## **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  
**this item is cleared.**

**04/29/2021, FB:**

1. Cleared
2. Cleared
3. Cleared.

**03/24/2021, FB:**

1. Yes, a problem tree is provided and a TOC diagram too. However, please note comments above regarding to the TOC. In particular, the issue of traffic congestion and planned increase of private car usage does not seem to have been addressed directly in the project.
2. Please note that Table 1 should be modified to clearly explain the design changes between the PFD Child Project Concept for UZ, instead of referring to the stand alone PIR originally submitted, which was then withdrawn by the agency.
3. 7 barriers are listed in this section: GEF financing should be used to address the last three:

5. Notwithstanding, to meet challenges and improve the likelihood of successfully implementing the Strategy, a number of barriers need to be lowered including:

- the lack of exposure of government personnel to best international practices for greening urban transport and green development including a lack of examples from which government personnel can learn from in Uzbekistan;
- the lack of a national system for the monitoring of environment-related indicators that can reflect changes in the quality of the urban environment (and serve as the basis for well-informed decision-making from data generated from demonstrations of urban environmental improvements);
- the absence of a strategy or concept for integrated spatial planning for sustainable urban development focused on promoting sustainable low-carbon urban transport and smart road infrastructure in concert with city greening. Implementing such concepts can lead to reduced traffic congestion and minimizing the loss of urban trees and green spaces;
- decreasing use of public transport modes in many urban areas due to a lack of investment into increasing the frequency and quality of public transport that would meet growing demand for urban trips. This combined with the rising economic status of the population and a higher proportion of the population with private car ownership has contributed to increased traffic congestion, increased urban air pollution, and increased GHG emissions. Road transport pollution is 60% of all air pollution in Uzbekistan, 3 times higher than in developed countries of the world;
- low demand for EVs in Uzbekistan due partly due to a low level of knowledge of EVs amongst Uzbek consumers, resulting in the absence of any local EV manufacturing notwithstanding the presence of large vehicle manufacturing facilities in the country;
- high upfront investments and market challenges. High purchase prices of electric vehicles are a significant barrier to wider adoption of EVs as well as a lack of investment in the development of charging infrastructure; and
- charging infrastructure and range anxiety. Electric vehicles still have a lower range compared to petrol vehicles notwithstanding recent technological improvements to reduce this disparity. Limited range and a lack of recharging infrastructure bring added constraints to wider adoption in addition to seasonal variances in electric vehicle performance. As such, piloting urban captive electric bus fleets would be more successful than piloting a fleet of electric taxis or delivery vehicles where routes are not preset.

## Agency Response

UNDP, 04/26/2021:

1. Changes have been made in response to the GEF comments in Para 8 and 17 of CEO ER and Para 5, 11 and 23 of ProDoc. Please see above.
2. The reference to PIF has been changed to Child Project Concept throughout the document.
3. Changes have been made in Para 8 and 17 of CEO ER and Para 5, 11 and 23 of ProDoc with further elaboration on traffic congestion barrier as explain above.

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

Secretariat Comment at CEO Endorsement Request  
**this item is cleared.**

**04/29/2021, FB:**

comment cleared.

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**03/24/2021, FB:**

The section on baseline scenario does offer some details on government activities in the area of transport, however it is outdated and it indicates that some activities "will be carried out in July 2020" which is clearly in the past. It is not clear what is the relation between the BRT that this section mentions along Fargona St, and the GUTC that this project should contribute to support in the same area. Is it the same project? Have the charging infrastructure now been procured already? How is the GEF/UNDP/MOT project going to fit in with the activities already on the ground considering the different timing? Paragraphs 7 and 8 should be updated with current info.

### Agency Response

**UNDP, 04/26/2021:**

The CEO ER para 8 and 10; and Prodoc para 11 have been updated to include further details and clarifications on:

- Recent updates in the public transport and e-mobility sectors in Uzbekistan;
- Clarification on the differences and relation of two different lines (Fargona Yuli BRT vs Shota Rustaveli GUTC);
- Current Government plans and ongoing efforts on purchasing e-buses and charging stations; and;
- How the TAILEV Project will fit into these developments.

The Project will work on two public bus corridors:

- Shota Rustaveli will be designed as GUTC and GEF finance will contribute to the procurement of 10 e-buses and 2 charging stations for this route. Moreover, project will support designing and implementation of GUTC concept as a transit corridor centred around e-buses.
- Fargona Yuli will be a BRT line where government will provide all the infrastructure costs as well as procurement of 20 e-buses and associated charging infrastructure. This will be the government co-finance to the project. The know-how, outputs and tools to be developed by the TAILEV project will support the efforts in Fargona Yuli corridor with a focus on e-buses and charging infrastructure.

**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  
**this item is cleared.**

**04/29/2021, FB:**

1. Cleared
2. Cleared.
3. Cleared, this has been clarified.
4. Cleared.

**03/24/2021, FB:**

1. the section on alternative scenario should include references to the sections of the ProDoc where the details related to the project scenario are included. Otherwise it is confusing to know where to look.
2. Please elaborate on the interrelations between GTUC and e-buses. In many places, GTUC and BRTs are done with normal ICE or hybrid buses, so the document should do a better job at explaining that in this case, the design include both "greening of spatial planning" and use of emission free technologies (e-buses).
3. In para 10, it is unclear how the concept of de-risking can refer to GTUC, since these are not meant to be operational facilities, but rather just urban spaces. "De-risking" can apply much more logically to the purchase and operation of e-buses, compared to ICE traditional buses.
4. In para 11, please note that no PIF was approved, so this should be edited.

#### Agency Response

UNDP, 04/26/2021:

1. References and clarifications have been made in Paras 12 -13 of the CEO Endorsement Document.
2. Changes have been made in the CEO ER para 13 and Prodoc para 10 in response to this comment. A detailed GUTC definition has been provided on the basis of GUTC concept is essentially centered around e-buses.
3. The project sees GUTC as a transit corridor that is centered around e-bus concept, and therefore de-risking of GUTCs is an extension of de-risking efforts for e-buses. Clarifications has been made in the CEO ER Para 13 in response to this comment.
4. Correction has been made.

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

Secretariat Comment at CEO Endorsement Request  
**this item is cleared.**

rev. 04/29/2021, FB

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**03/24/2021, FB:**

Yes, alignment is described, pending the clarification on breakdown between funding for GTUC and e-buses.

Agency Response

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

Secretariat Comment at CEO Endorsement Request  
**this item is cleared.**

**04/29/2021, FB:**

1. Cleared. Thank you for the design changes on this, we welcome the inclusion of the upstream activities under 2.3.1 and 2.3.2 to analyze and select the business and financing/ownership model that presents the best cost/effectiveness for the GEF resources.

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**03/24/2021, FB:**

1. This section should include some information, or make explicit reference to the ProDoc, especially on Activity 2.3.3 on incremental cost. With regards to incremental cost, GEFSEC needs more information on how the decision to cover up to 20% of the capital cost of e-buses was justified. There are other ways which could be used to finance the de-risking of the purchase of the buses, with are not necessarily covering a portion of the purchase cost. For instance, local FIs could be incentivized to provide financing otherwise unavailable through using GEF funding in a first loss guarantee position, or to adjust the higher interest rates of the banks funding for e-buses vs normal buses. We would suggest that a full analysis of business model/financing options is done before making a determination on what is the best financing model that address the

higher upfront cost of the buses. If such analysis already exist, please reference it in the document.

#### Agency Response

UNDP, 04/26/2021:

1. In response to GEF review, additions were made in CEO ER (Para 8 and Para 18). Also, in prodoc, changes were made in Para 7 and Para 15 as well as major updates in Output 2.3 and its activities.

In summary, the project approach on business models and financial approach has been redefined with undertaking several studies on:

- analysis on current structure and dynamics of public transport, both nationally and in key local jurisdictions;
- exploration, including studies and dialogues with key stakeholders, on public transport market liberalization potential;
- review of latest good practice models/support for public financial support for e-buses.

And later, based on the findings, refining the investment approach of the project with most cost-effective approach.

**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  
**this item is cleared.**

rev. 04/29/2021

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**03/24/2021, FB:**

Please refer to the comments made on the core indicators sections and GEB calculations above.

#### Agency Response

UNDP, 04/26/2021:

Revisions were made in the GHG emission figures in response to the previous comment.

**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  
**this item is cleared.**

**03/24/2021, FB:**

Innovation and potential for scale up are outlined in satisfactory fashion.

Agency Response  
**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  
**this item is cleared.**

**03/24/2021, FB:**

Yes, project maps are included.

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  
**this item is cleared.**

**03/24/2021, FB:**

Yes, the project is expected to contribute to the overall objectives of the Global Program. However, a clearer explanation of the modalities of coordination with the Global program, and including with the Regional Investment and Support Platform relevant for UZ, which is run by EBRD, should be included and mapped in the coordination structure.

## Agency Response

UNDP, 04/26/2021:

Additional text has been added to CEO ER para 33 and Prodoc 40 to better indicate the coordination with the Global E-mobility Program and its Regional Investment and Support Platforms. Moreover, details were added to Prodoc to better reflect the project/national level coordination with the Global E-mobility Program. These details were made in:

Outcome 3,  
Output 3.6. and 3.7  
Activities 2.1.5; 3.1.6; 3.3.3; and 3.6.2

### 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

**This item is cleared.**

rev. 05/03/21, FB

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**03/24/2021, FB:**

1. the information provided under paragraph 28 reflects consideration that "will" be relevant for the execution stage. However, this section needs to present the consultations that have taken place during project design, as opposed to those which will take place during project execution. Please include an account of the stakeholders engagement at design.

2. Annex 4 - Stakeholder engagement Plan - contains information last updated in March 2020. This is more than a year ago, and it would be helpful to have more updated information on the status of the consultations conducted.

## Agency Response

UNDP, 04/26/2021:

1. Edits were made in Para 28 of the CEO ER.

2. The stakeholder consultations were finalized before March 2020 as it was planned to submit the CEO ER to GEF by 13 April 2020 at that time. After GEF granting additional time for the projects due to the global pandemic, the Uzbekistan was also in complete lockdown up to early October 2020. Therefore, no additional consultations were undertaken with the stakeholders except the ones in relation to project strategy such as acquiring the co-finance letters as well as gathering TCM, Tashkent Bus Company and MoT comments and approval to the project approach. As a response to the GEF review, the project design team has just re-checked the Stakeholder Engagement Plan and confirms that it is still relevant and up to date in relation to project context. One improvement was made in the Plan by adding information on the Consumer's Right Protection Agency.

#### **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

**This item is cleared.**

rev. 05/05/21, FB

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**05/03/21, FB:**

All previous comments cleared, however:

1.a: Please replace the existing table in the gender section of the CEO ER, with the one with the latest edits which is included in the Annex 12 of the PRODOC.

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**03/24/2021, FB:**

1. This section should either include information on the status quo of gender gaps in the country, or refer to the relevant sections of the PRODOC where this information can be found.

2. There are no targets for female participation to trainings and workshop, please include them.

3. Have targets for female hiring for the operation of the new bus fleet and GCUT been considered? If so, please clarify why have they not been included?

#### Agency Response

UNDP, 04/26/2021:

1. Brief information has been inserted into Gender section summarizing the main findings of the Gender Analysis. Also, reference was made to the Prodoc Annex of the Gender Analysis and Action Plan.
2. Several project activities have quotas for women's participation to the workshops and trainings. Please refer to:
  - ? Participants on the study tour must comprise at least 30% women (Outcome 2, Output 2.1, Activity 2.1.6).
  - ? Participants on the study tour must comprise at least 30% women (Outcome 2, Output 2.3, Activity 2.3.6).
  - ? Participation rate of 30% by women in workshops and technical assistance for municipal personnel to sustain high levels of ridership on public transit e-buses along GUTC (Outcome 3, Output 3.4, Activity 3.4.2).
  - ? Participation (20-30%) of female professionals and staff in workshops or market fairs in Tashkent and other prominent Uzbek cities on investments into EVs and other forms of low carbon transport (Outcome 3, Output 3.7, Activity 3.7.2).
  - ? Participation (20-30%) of female professionals and staff in workshops or market fairs in Tashkent and other prominent Uzbek cities on investments into EVs and other forms of low carbon transport (Outcome 3, Output 3.7, Activity 3.7.2).
  - ? Participation (20-30%) of female professionals and staff in National workshops with other Uzbek municipalities on monitored key environmental indicators along Tashkent GUTC (Outcome 4, Output 4.1, Activity 4.1.1).
  - ? Required level (30-35%) of participation of female personnel and air pollution experts in workshops that will present the findings of monitoring program of key environmental indicators along Shota Rustaveli GUTC (Outcome 4, Output 4.1, Activity 4.1.2).
1. The indicator 9 has been revised in response to this comment:

*Number of e-buses in operation along pilot GUTCs with gender-inclusive (1-2 female drivers of e-bus) features.*

*Project team notes that, a decade ago there were female-divers of trams and trolleybuses in the cities of Uzbekistan but transition to only automobile public transport (except some tourist cities such as Samarkand and Khiva) resulted in having only male-drivers for buses. Piloting GUTC operationalized e-buses will revert females to public transport sector.*

UNDP, 05/05/2021:

1a: The gender table has been replaced with the updated one in CEO ER and live portal.

#### **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

**This item is cleared.**

**rev. 05/03/21, FB**

1. Cleared.
2. Cleared.
3. Cleared.
4. Cleared.

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**03/24/2021, FB:**

1. The private sector engagement section should describe the interactions/consultations with private sector actors during the project design. Please include details.
2. There are some private sector companies providing co-financing, please describe their role and involvement in this section.
3. Please describe if and how relevant private sector actors (tech providers, service providers, finance providers, etc) will be involved and consulted for the formulation of the policy/regulatory outputs of this project.
4. One private sector actor that is particularly important in this area is the financial sector as providers of financing solutions for e-mobility, considering that one of the barriers highlighted is the higher capital and upfront cost of EVs. Please describe any past and planned engagement with local and/or international FIs.

## Agency Response

UNDP, 04/26/2021:

1 & 2. The Private Sector Engagement Section of the CEO ER has been updated with further information on consultations with private sector organizations and their commitments through co-finance letters. (Para 29)

3. The Private Sector Engagement Section of the CEO ER has been revised (para 29 and 30). Moreover, several outputs and activities were improved and additional text has been added to underline the participation of private sector to the activities. Please refer to Output 1.1, Activity 1.1.1, Activity 1.2.1, Activity 1.3.2, Output 1.4, Activity 3.1.4, Output 3.3.

4. As described above under 3rd comment, some revisions were made in the project document in relation to engagement with FIs and brief explanation was added to the CEO ER. Moreover, project output 2.3 has been revised in a way that consultation and cooperation with FIs will be assured through defined analyses on public transport market liberalization and associated potential finance models.

### 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

**This item is cleared.**

**rev. 05/03/21, FB:**

All comment cleared.

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**03/24/2021, FB:**

1. the risk table should include a risk rating (low, medium, high) for each risk item.
2. Risk # 1 mention "unwillingness of municipal partners": please clarify who are the municipal "partners" and whether they have or have not been already involved in the design of this project. Their participation is key for the project outcome so this risk should be very low at this final stages of project design.
3. Rick #3 should mention the role of FIs in financing. The project should make greater efforts to involve financial partners which are key to reach scale (not every EV can be financed through the operator's balance sheet).

4. Please include the required section on risks and opportunities related to the COVID 19 pandemic and the potential contribution of this project to a green recovery.

#### Agency Response

UNDP, 04/26/2021:

1. Complete risk register has been provided in the CEO ER, under Para 31.
2. Tashkent City Municipality, Samarkand City Municipality and Namangan City Municipality are the municipal partners referred to in Risk #1. This is now indicated in the Risk Table. Tashkent Municipality is a major partner of the project which will implement key activities. Also, Samarkand and Namangan municipalities have been involved since the beginning of the design phase. They are expected to play a key role in upscaling of the results after the project end, therefore several project activities targeting dissemination of results and sustainability involves active participation of these municipalities.

Also, it is agreed that their project risk should be low at the end of the Project. The table was revised accordingly.

3. Risk #3 has been edited to include the roles of FIs.
4. The Para 31 has been added to the Risks section in CEO ER in response to this comment.

#### 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

**This item is cleared.**

rev. 05/03/21, FB:

All comment cleared.

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03/24/2021, FB:

- 1. Executing vs Responsible party: The executing party for this project is the Ministry of Transport while the responsible party will be JSC ?Toshshakhartranskhizmat? or TBC. Is there a collaboration agreement/MoU among these two parties? Further

information would be helpful to understand how the two parties will collaborate and distribute resources among them.

- 2. The Consumer Rights Protection Agency is mentioned in this section but there is no mention of them in the stakeholders engagement report and plan. Please clarify their role in the project.
- 3. This section should articulate better the entry points and modalities of collaboration/connection with the Global E-Mobility Program.

#### Agency Response

UNDP, 04/26/2021:

1. Additional information has been inserted to CEO ER Para 32 to clarify this point.

This project will be executed in a full NIM modality, where all the GEF funds will be transferred to the implementing partner, Ministry of Transport (MoT). The MoT will be responsible from making the arrangements with the Tashkent Bus Company (TBC). The associated budget totals are expected to be transferred from dedicated project account of MoT to specific bank account of TBC allocated to the TAILEV project only. These transactions will be done based on the agreement to be made between two government organizations as per the national financial procedures in Uzbekistan. The details of these procedures will be defined during the project implementation. UNDP will oversight this process and provide support to the project implementation unit whenever necessary.

2. Information on the Consumer Rights Protection Agency has been added to the Stakeholder Engagement Plan, Annex 4 to the ProDoc.

3. Further information has been provided in CEO ER Para 33 and Prodoc Para 42 in response to this comment.

#### 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  
**this item is cleared.**

**03/24/2021, FB:**

The project looks well aligned with national priorities.

#### 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  
**this item is cleared.**

**03/24/2021, FB:**

The KM approach is described, together with the key knowledge products.

Agency Response  
**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  
**this item is cleared.**

**03/24/2021, FB:**

The M&E plan is included and costed.

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  
**This item is cleared.**

**rev. 05/03/21, FB:**

1. Cleared.

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**03/24/2021, FB:**

1. Please list co-benefits of this project in this section. This should include at a minimum health/air quality and economic co-benefits from e-mobility. But also climate adaptation benefits as described in the PRODOC should be summarized here.

**Agency Response**

**UNDP, 04/26/2021:**

1. Additions have been made in CEO ER Para 38 and 39.

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

rev.05/05/21, FB

All comments cleared.

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**05/03/21, FB:**

1. Apologies for the confusion. The comment was intended to refer to the GEF CEO ER portal entry, not the ProDoc. Please ignore this comment and reinclude the SESP in the ProDoc. It's ok if it is duplicated in the Poral document.
2. Also in this case, the comment referred to the GEF Portal Document, not the ProDoc. Numbers need to be made consistent:

ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

# Project Results Framework

Table 2: TAILEV Project Results Framework (PRF)

<p>This project will contribute to the following Sustainable Development Goal (s):</p> <ul style="list-style-type: none"> <li>• Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable; and</li> <li>• Goal 13. Take urgent action to combat climate change and its impacts</li> </ul>				
<p>This project will contribute to the following country outcome (UNDAF/CPD): Outcome 5: By 2025, most at risk regions and communities of Uzbekistan are more resilient to climate change and disasters, and benefit from increasingly sustainable and efficient management of natural resources and infrastructure, better climate action, environmental governance and protection and Output 1.5: Innovative and sustainable climate change adaptation and mitigation initiatives in agriculture, health water, transport and building/housing sectors are implemented at national and regional levels.</p>				
	Objective and Outcome Indicators	Baseline	Mid-term Target	End of Project Target
<p><b>Project Objective:</b> To accelerate the adoption of electric vehicles in the City of Tashkent that can be replicated in other cities in the Republic of Uzbekistan, significantly reduce greenhouse gas emissions in the transport sector, and improve urban environmental quality</p>	<p><u>Indicator 1:</u> # direct project beneficiaries disaggregated by gender (number of passengers using new Shota Rustaveli GUTC e-bus route per day)</p>	0	3,000 (50% female/50% male)	6,000[1] (50% female/50% male)
	<p><u>Indicator 2:</u> # consequential project beneficiaries disaggregated by gender (individual people)</p>	0	60,000[2]	68,000[3]
	<p><u>Indicator 3:</u> Emission reductions, cumulative lifetime direct (tonnes of CO<sub>2eq</sub>)</p>	0[4]	9,590	20,700[5] and
	<p><u>Indicator 4:</u> Cumulative direct reduction of pollutant load (for CO, NOx and NH) along GUTC corridor (% reduction)</p>	0	5%	10%

3. This comment also refers to the GEF Portal Document, not the ProDoc. Please revise or remove the references:

	h the global programme		
Outputs to achieve Outcome 4	Output 4.1: National workshops with other Uzbek municipalities to share findings of monitoring program in Tashkent GUTC, and joint actions to improve and manage urban environmental quality		
	Output 4.2: Adopted guidelines for tracking, downgrading, re-use and recycling of batteries from extended producer responsibility for EV batteries and other EV-related waste streams		
	Output 4.3: Lessons Learned Study		

- [1] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 1.
- [2] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 1.
- [3] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 1.
- [4] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 2.
- [5] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 3.
- [6] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 5.
- [7] See Annex 3 – Monitoring Plan, Table 3-1 on Indicator 6.
- [8] See Table 3-1 on Indicator 7, Footnote 62.
- [9] See Table 3-1 on Indicator 8, Footnote 63.
- [10] See Table 3-1 on Indicator 8, Footnote 64.
- [11] See Table 3-1 on Indicator 9.
- [12] See Table 3-1 on Indicator 10.
- [13] See Table 3-1 on Indicator 13, Footnote 67.
- [14] See Table 3-1 on Indicator 14.
- [15] See Table 3-1 on Indicator 15.
- [16] See Table 3-1 on Indicator 16.
- [17] See Table 3-1 on Indicator 17.

**ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Response Council at work program inclusion and the Convention Secretariat and STAP at PIF).**

4. Budget: As per comments below, the budget in the format required by the GEF needs to be inserted in the CEO ER Document live on the GEF Portal, so that it can be visualized by Council members when the document is saved in PDF and shared. Council Members will not have access to attachments uploaded in the portal. Please format and insert the following document in annex E of the live portal version:

<a href="#">Converted PIMS 6417 Uzbekistan FSP TBWP_DP</a>	Project Document	Annexes/appendices to the project documents	Public	4/27/2021 12:45 PM
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**03/24/2021, FB:**

Yes- annexes are included. However, please note:

1. the long table on social and environmental benefits, including the checklist, can be removed from the main document and moved to an Annex to be uploaded in the portal.
2. Annex A needs to be updated and figures on emission reductions made consistent with the rest of the document where indicator 6 values are reported.
3. On page 51: there are several footnotes referring to a table 3-1, but the table is not found in the document. please revise the references.
4. Annex E - project budget, should be presented also in the format required by the GEF project cycle guidelines, as customary for all projects.

#### Agency Response

UNDP, 04/26/2021:

1. UNDP Social and Environmental Screening Procedures (SESP) and its Checklist as well as ESMF have been removed from the ProDoc. They will be submitted as separate documents.
2. The Annex A, Project Results Framework has been updated and now includes current figures on GHG emissions as described above.
3. The footnotes are now revised and they refer to the Annex 3 ? Monitoring Plan and the Table 3.1 within.
4. The project budget in the GEF format will be submitted.

UNDP, 05/05/2021:

1. The SESP and ESMF annexes were added to the Prodoc. The checklist appendix of SESP has been removed from the live portal version of CEO ER.
2. The indicator figures were revised in the Portal to be consistent with the Project Results Framework.
3. The references were removed from the Portal version of the Results Framework.
4. GEF Budget Format was inserted to the Portal version of the CEO ER.

#### Project Results Framework

Secretariat Comment at CEO Endorsement Request  
**this item is cleared.**

**03/24/2021, FB:**

The PRF is included as Annex A.

Agency Response  
**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request n/a

Agency Response  
**Council comments**

Secretariat Comment at CEO Endorsement Request  
**This item is cleared.**

**05/03/2021, FB:**

1. Cleared.

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**03/24/2021, FB:**

1. please include a table with the responses of the project in terms of how the comments provided by Council at the time of the approval of the Parent Program have been addressed, if relevant.

Agency Response

**UNDP, 04/26/2021:**

**1. The Annex B has been added to the CEO ER with responses to the Council Comments.**

**STAP comments**

Secretariat Comment at CEO Endorsement Request  
**This item is cleared.**

**05/03/2021, FB:**

1. Cleared.

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**03/24/2021, FB:**

1. please include a table with the responses of the project in terms of how the comments provided by STAP at the time of the approval of the Parent Program have been addressed, if relevant.

Agency Response

**UNDP, 04/26/2021:**

**1. There is no specific STAP comment for the Uzbekistan Child Project. All STAP responses were raised for Parent Program.**

**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

**This item is cleared.**

**03/24/2021, FB:**

A status report of the PPG resources was included.

Agency Response

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request

**This item is cleared.**

**03/24/2021, FB:**

Yes, project maps are included.

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

**05/03/2021, FB:**

**The project is recommended for technical clearance.**

**05/03/2021, FB:**

Not at this time. Please address the comments provided and resubmit.

**03/24/2021, FB:**

Not at this time. Please address the comments provided and resubmit.

**Review Dates**

	<b>Secretariat Comment at CEO Endorsement</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>3/31/2021</b>	
<b>Additional Review (as necessary)</b>	<b>5/3/2021</b>	
<b>Additional Review (as necessary)</b>	<b>5/5/2021</b>	
<b>Additional Review (as necessary)</b>		
<b>Additional Review (as necessary)</b>		

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**