



National child project under the GEF Africa Mini-grids Program Comoros

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10473

Countries

Comoros

Project Name

National child project under the GEF Africa Mini-grids Program Comoros

Agencies

UNDP

Date received by PM

6/19/2021

Review completed by PM

11/4/2021

Program Manager

Satoshi Yoshida

Focal Area

Climate Change

Project Type

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

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

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

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

Oct, 10, 2021: Comments cleared. We note that there will be no funding for diesel generators and relevant equipment.

July 12, 2021: The changes on outcomes and outputs and justifications are provided under Part II of the CER document. However, please address the below points.

1. It seems that diesel generators are included in the investment with GEF finance for the expected minigrid system, while GEF financing under GEF-7 is not in line with such investment. Also, it is not clear why diesel backup is included on top of the power storage. Please consider utilizing co-financing resources or removing it. In this regard, please clarify why ?low-carbon? is used in the project objective.
2. On PMC provided by co-financing on Table B, the proportionality is not met with GEF?s financing portion on PMC. Please address.

Agency Response

ST_6 Oct,2021

1. There aren't any diesel generators investment included in this project. In one of the pilot sites though access to energy for households and productive use could be a combination of the supported solar minigrid as well as the national grid largely relying on diesel generators. To avoid any confusion, it is now clearly stated in the proposed alternative scenario as well as under activity 1.4.4. and in the introduction of Component 2 that there are no diesel generators involved.

In addition, the mention of 'low-carbon' in the project objective in Table B and other parts of the documents will be replaced by 'renewable'.

2. The co-financing share for PMC has been revised. Co-financing in Components 1,2 and 4 were hence reallocated to the co-financing for PMC. The co-financing for PMC got increased to \$3,883,821, which equals to 9.2% of total co-financing before PMC. As a reminder, the PMC for GEF funds stands at 8.7%.

Reference:

CERDoc:

Part II, 1a ? 3), p.21 and p.38; p.1

And throughout the doc

(ProDoc: Parts III and IV, p.13 and p.30; p.18; and throughout the doc)

CERDoc:

Part I, Sec. B p. 1-6

(ProDoc: Part VIII)

p.75-76)

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

Secretariat Comment at CEO Endorsement Request

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

Nov 9, 2021: Comment cleared.

Nov 8, 2021: Co-financing sources of SONELEC and ANADEN : As these 2 entities appear to be public agencies, in the Source field, please change ?Other? to ?Recipient Country Government?.

Nov 3, 2021: All letters and translation are noted. "how any investment mobilized identified" is clear under the incremental cost reasoning section.

Oct 10, 2021: Co-financing letters are missing.

July 12, 2021: Some letters are not clearly captured in the pictures in the Annex. Please also provide translation to all letters.

Agency Response

Nov. 9 - co-financing sources were amended as requested.

ST_6th October, 2021

The letters have been re-scanned in a better quality, and their translations provided.

Reference

CERDoc: Annex J

(ProDoc: Annex 14)

ST 2/11/2021

Response:

The letters have been uploaded properly in the GEF portal.

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

Nov 9, 2021: Comment cleared.

Nov 8, 2021: Agency Fee in Table D of the Council Approved PFD (\$114,288) is one dollar above the amount of Table D in the CEO Endorsement (\$114,287) ? please amend (the figure in the PFD is the valid one).

Agency Response Nov. 9 - comment was addressed as requested.

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 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

Oct 10, 2021: Comments cleared.

July 12, 2021: The indicator targets are slightly above than as expected at the PFD. However, please address the below points.

1. The indicator 11 has been decreased while the explanation has not been provided.
2. Please see comments on GEBs section below and reflect the updated numbers in indicators.

Agency Response

ST_6th October, 2021

1. At the PPG stage, the methodology and technical/financial modeling for calculating GEBs has been significantly improved since the concept stage. This improved PPG-stage methodology has been used across all AMP national child projects. Annex 12 details the methodology, its assumptions and findings for this project.

The reason for the decrease in indicator 11 (number of direct beneficiaries) is that at CEO ER stage, the number of connections per kW of installed Solar PV capacity has been revised downwards. At PIF stage, it was assumed that a 30 kWp Solar PV minigrid could serve 6,000 people (1,200 household connections); that is, an average of 40 residential connections per kW of installed Solar PV capacity. At CEO ER stage, a system configuration has been estimated to serve an indicative market that includes residential, social, and commercial/PUE users. Based on the system sizing formulas used, instead of 40 connections, a total of 2.19, 1.63 and 1.15 connections can be served per kW of installed Solar PV capacity in pilots 1, 2 and 3 respectively.

2. Changes in GEF core indicators 6 and 6.4 have also been indicated based on the same reason:

?While at PIF stage, general assumptions were made; during PPG phase, 3 pilot sites were pre-selected and validated by stakeholders. A demand survey has been undertaken in each of the 3 sites enabling to calculate these indicators based on the surveys? results.?

Reference

CERDoc: Part II, 1st table, p.18

(ProDoc: Part IV, p.24)

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

Nov 3, 2021: Comment cleared.

Oct 10, 2021: Thank you for adding SDG7 while the request was global environmental problem, which is GHG emissions that the project will address. Carbon emissions from

the energy sector should be the center of this section, rather than SDG7, which is a co-benefit.

July 12, 2021: Please add global environmental problems, including carbon emissions from the energy sector in the country, root causes and barriers of such problems, and how the project addresses such barriers.

Agency Response

ST_6th October 2021

A first paragraph on global environmental problems related to reaching SDG 7, and especially SDG 7.1. and 7.2 is added. Carbon emissions from the energy sector in Comoros were updated based on the country's 3rd National Communication on Climate Change. The root causes and barriers of such problems, and how the project addresses such barriers, are more clearly made forward explaining a root cause and solution tree.

Reference:

CERDoc:

Part II, 1a ? 1) ? p.19-p.23

(ProDoc: Part III, p.9-13)

ST 2/11/2021

Response:

The section is re-arranged and revised to add more emphasis on the carbon emissions from the energy sector. The text below can be found in the CEO ER and Prodoc. The paragraph on SDG7 is moved at the end of the section.

Carbon emissions and Energy situation in Comoros:

Electricity production heavily relies on thermal diesel generation and imported fossil fuels to nurture disseminated small-scale diesel generators throughout the three islands amounting to a total installed capacity of 31.5MW. However, due to high transmission losses (35%), lack of suitable maintenance and rehabilitation of equipment, limited power infrastructure investment, poor management at SONELEC (the national power utility), the available generation capacity is significantly lower. Load shedding are common daily practice, and many places have access to electricity only a few hours a

day (often between 6pm and midnight). High electricity cost at USD 0.75 per kWh (imported fuel with low economies of scale and struggles in the fuel supply chain) compared to an end-user price of USD 0.29 per kWh (national uniform tariff of KMF 120/kWh as per law), billing collection issues and theft, are putting the power sector, and SONELEC in particular, under extremely high financial pressure. The Comorian government often has to replenish SONELEC's funds, negatively impacting already fragile public finances. While the 82% national electrification rate is one of the highest in Africa, the effective access to electricity is way lower, leading to a per capita electricity supply comparable to quite a few Sub-Saharan countries with significantly lower electrification rates. Thus, a large majority of Comorians have to fall back on alternative solutions such as kerosene or candles for lighting, commercial charging stations for their mobile phones, and disposable batteries for small appliances. In addition, according to the Third National Communication (TNC) of Comoros to the UNFCCC, the energy sector in Comoros is one of the largest GHG emitters in the country (33.7% or 248 Gg CO₂eq) and under a business-as-usual scenario energy could increase to 48% of GHG emissions by 2030. Energy demand growth is evaluated to increase by 69.6% in Comoros by 2030 especially due to demographic growth. This has been further **emphases** in the NDC (Nationally Determined Contributions) of the country. The Energy sector is the second emitter of carbon emissions in Comoros, after the AFOLU sector. Both the TNC and the NDC highlighted the potential of GHG emission reductions of in the energy sector.

Reference:

CERDoc:

Part II, 1a ? 1)

(ProDoc: Part III)

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

Secretariat Comment at CEO Endorsement Request

Oct 10, 2021: Comment cleared.

July 12, 2021: Please include more detailed baseline energy and climate policies and plans, regulations, data, and regional projects as applicable.

Agency Response

ST_6th October 2021

International treaties and national energy and climate policies and plans as well as regulations are added. A regional project of the Indian Ocean Commission with the EU is added to the table listing baseline projects.

Reference:

CERDoc:

Part II, 2), p.23-26

(ProDoc: Part IV, p.54-55)

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

Oct 10, 2021: Comments cleared.

July 12, 2021: Please address the below points.

1. Component 1: It does not seem to address policy and regulatory changes adequately that mitigate risks of minigrids including discontinue of services due to financial or physical impacts, disposal of batteries and other wastes, and adapting to change of demand of electricity (i.e. numbers of customers or increase in demand). Please provide plans on these elements to ensure scaling-up and sustainability of deploying the mini-grids.

2. Component 2: Please describe the details of pilot minigrid systems that this component will invest in with rationale, including the reason of having three pilots instead of two. Please provide a mechanism to ensure the deployed mini-grids will be used for lifetime (20 years) including governance structure as well as a table that explains ownership and operation of the mini-grids. Please elaborate how the project will ensure replacing batteries and converters as well as O&M of the whole system during the lifetime. Please also provide detailed plan to ensure environmentally sound management of such equipment after their usage.

3. Component 3: Please describe how the MFF will be related to Component 2 or other project components (or if GEF-funding will be used for the fund) and the mechanisms and governance of the fund. Please also include detailed plan to mobilize the public and private financial institutions.

Agency Response

ST_6th October 2021

1. Risk mitigation measures are added to the general introduction of the proposed alternative scenario as well as in Component 1 including in the scope of the national dialogue platform (Output 1.1.), the Electricity Code and relevant strategies (Output 1.2.), the contracts as well as the contract types between the communities (owner of the minigrid according to the Electricity Code in Comoros) and the private energy service provider (Output 1.3.). During implementation, risks assessment and potential mitigation measures will be particularly analyzed and thought through as part of the DREI study (Output 1.5.).

2. The reason for 3 instead of 2 sites was further highlighted in the existing paragraph. For reasons related to representation, equality among the 3 islands, and commitment, 1 pilot site per island will be implemented. There are 3 islands in the Comoros archipelago and there are 3 main different types of rural villages with their specific needs and situations. 3 pilot sites have been identified and pre-selected during PPG based on objective criteria (See Evaluation Grid in Annex P), and validated by the national Implementing Partner (IP), responsible parties and relevant stakeholders at the PPG validation workshop held in January 2021. The paragraph introducing output 2.1. is updated to include the rationale for 3 pilot sites.

Aspects concerning governance, ownership, O&M, minigrid's lifetime servicing guaranty, replacing and disposal of batteries and other related equipment were added in Output 2.2.

3. The link between MFF and Component 2 is specified in Component 3 as initial investments made by the GEF and its co-financiers for the pilot projects will be integrated into the MFF. It will also be related to Component 1 as Article 20 of the Electricity Code focuses on financing autonomous minigrids owned by rural communities. While the final mechanisms and governance of the MFF will be analyzed and validated at project implementation, some aspects are mentioned in Activities 3.1.1, 3.1.2 and 3.1.3. A dedicated strategy to mobilize public and private financial institutions will be designed during project implementation to support the successful and sustainable operations of the MFF. The strategy shall be supported by identifying and involving available financing mechanisms in Comoros (Output 3.1.) as well as innovative financing mechanisms, building capacities and raising awareness of these players (Output 3.3.), a better understanding of minigrids opportunities and potentials in Comoros (Output 3.2.) and involving them in the design and operationalization of the MFF. It is worth mentioning that some players including private financial institutions and other private sector players (e.g., telecom operators), part of larger pan-African or

international groups, are investing in green energy solutions and looking to nurture their CSR efforts.

Reference:

CERDoc:

Part II, 1a. 3), p.27, p.34-36, p.38

(ProDoc: Parts III p.13 and IV p.27-31)

CERDoc:

Part II, 1a. 3), p.43-44

(ProDoc: Part IV p. 37, p.39)

CERDoc:

Part II, 1a. 3), p.46-47

(ProDoc: Part IV p.41)

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

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Oct 10, 2021: Comment cleared.

July 12, 2021: Contributions from co-financing to achieve the project objectives including the GEBs are not clear. Please provide the details of the co-financing in particular from donor agencies and how such co-financing would contribute to cost-sharing on investments.

Agency Response

ST_6th October 2021

The expected contributions from co-financing in terms of GEBs were added in the paragraph on 'Expected contribution from co-financing' and. The initial partnerships table was updated to only include co-financiers. Other partners and co-financiers' roles were added in Annex K 'Stakeholder Engagement Plan chapter 6.

The GHG emissions reductions estimates are based on the total renewable power generation of the minigrid pilots receiving project support. Project funding (GEF INV) will be used to provide a CAPEX subsidy to cover part (not all) of the capital expenditures required to deploy the minigrid investments. That means that the pilot will require additional contributions to cover the remaining portion of CAPEX costs not covered by project funds, reach financial close and deliver the intended results in terms of GHG emission reductions.

GEF INV budget allocated to the Comoros minigrid pilots (USD 269,725) will be used to provide a portion of the pilots' CAPEX needs. The actual level of CAPEX subsidy will be defined during project implementation. Nevertheless, and for the purpose of calculating GHG emission reductions from the pilot, a CAPEX subsidy contribution of 55%-65% has been estimated for Comoros to allow the Solar PV minigrids to reach LCOE parity with a diesel-only baseline minigrid.

For Comoros, additional sources of funding are expected to be coming from UNDP. Communities and private sector players (incl. energy service providers) will also support the success of the pilot projects. Communities are committed to provide the land, construction materials for civil engineering, workforce for on the ground civil engineering and support to installation of a first module (to be defined) of the minigrid. Private sector players have also expressed their will and engagement to participate in building and up-scaling a renewable minigrids market in Comoros.

For clarity, these co-financiers to pilots are not included in the CEO ER list of co-financing, because these pilot co-financiers will only be identified during the project's implementation when competitive tender processes for the pilots will be held. To identify these co-financiers at the PPG stage would compromise the future tender processes.

Reference:

CERDoc:

Part II, 1a. 5) p.52-56, and Annex K, 6. p. 12-21

(ProDoc: Annex 15, 6. p.12-21)

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

Oct 10, 2021: Comments cleared.

July 12, 2021: This section is not complete or sufficient in providing detailed estimation of GHG emissions reduction. Please address. On direct emissions reduction in Annex 9, please provide detailed explanation on how power generation per year per unit is derived with the exact formula. Also, please include the loss of electricity due to the use of battery, considering factors of a similar battery with expected load/frequency in lifetime of the battery, in such calculation. Please also exclude emissions from diesel generators if the project will use such equipment funded by co-financing.

Agency Response

ST_6th October 2021

Further details on GHG emissions reductions have been added to this section in the document and Annex S in CER / Annex 9 in ProDoc.

Annex S has been updated to provide detailed explanation on how power generation per year is derived with the exact formula, on how the loss of electricity due to the use of battery is considered in the estimations, and to clarify for those pilots that are Solar PV Battery Diesel systems, that electricity generated from diesel gensets (used as backup or otherwise) is excluded from GHG emission reduction estimates. Also, an excel spreadsheet with the summary of GHG emission reduction calculations is provided along with the resubmission package.

Reference :

CERDoc:

Part II, 1a. 6) p.57, and Annex S

(ProDoc: Annex 9)

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

Oct 10, 2021: Comments cleared.

July 12, 2021:

1. Innovativeness: Please provide technological innovation if any in addition to business model innovativeness.

2. Sustainability: Please provide how the project ensure O&M during the lifetime of the infrastructure, including how to manage replacing a battery, converters and other equipment. Please also clarify how the government or other entities monitor the minigrid systems for the lifetime.
3. Scaling-up: Please elaborate the role of MFF in scaling up.

Agency Response

ST_6th October 2021

1. Innovativeness: Elements on innovative technology solutions be it the minigrid itself (e.g., containerized solutions, agrivoltaism), smart metering and remote monitoring, as well as payment solutions have been added.
2. Sustainability: The role of minigrids developers and operators to oversee O&M during the entire lifetime of the minigrid system has been described, including via a binding minigrid contract signed with the minigrid requester, i.e., a community. This also includes the replacement and disposal of batteries and other equipment.

Pilots receiving GEF INV must comply with the Program's Environmental Safeguards Management Framework (ESMF) for the responsible handling of waste with recycling of batteries and other recyclable equipment ? including via clear documentation , budgeting and monitoring in compliance with national and UNDP safeguards requirements.

3. The role of the MFF in contributing to develop the minigrids markets is added to the scaling up approach. The role of financial institutions and partners is key and will be fostered through capacity building and a market study.

Reference:

CERDoc:

Part II, 1a. 7) p.57

(ProDoc: Part IV, p.58-60)

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

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

Yes

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

Nov 4, 2021: Comment cleared with the uploaded stakeholder engagement plan (Annex K).

Nov 3, 2021: We cannot locate the Annex. Please include a table in this section.

Oct 10, 2021: Please provide a table format on the portal rather than Annex.

July 12, 2021: Stakeholder engagement plan in the Annex seems lacking the exact role of each stakeholder. Please address and provide in a table format in the portal as well.

Agency Response

ST_6th October 2021

Please see Annex K chapter 6 where a table was added per stakeholder/stakeholder type, their ongoing initiatives, their role during the AMP project implementation as well as the expected outputs they will partially or fully contribute to.

Reference

CERDoc: Annex K, 6, p. 12-21)

(ProDoc:

Annex 15, 6.,p. 12-21)

ST 2/11/2021

Response:

The Annex on Stakeholders is very detailed. It also includes a summary table, which is provided here.

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

Nov 3, 2021: We note the gender action plan as Annex M, which is comprehensive.

Agency Response

ST 2/11/2021

Response:

The Annex on Gender is very detailed. It also includes a summary table, which is provided here.

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

Oct, 10, 2021: Comment cleared.

July 12, 2021: Please elaborate more on the role of system operators, business arrangements, as well as financial providers from the private sector and how the project will engage with them.

Agency Response

ST_6th October 2021

The role of system operators is more detailed encompassing installation, O&M but also awareness raising, job creation, provision of ancillary equipment, potential provider of targeted studies of the project, offering innovative solutions and business models, etc. The call for project for the 3 pilot sites and the related contract will include business arrangements to guaranty effective and sustainable services, as well as a functioning and smooth collaboration with the community (minigrid requested and owner).

The role of financial providers is also more detailed. This includes their role in supporting the scale-up of autonomous renewable minigrids across the archipelago through targeted financial products and services as well as contributing to the MFF design and operations.

Reference:

CERDoc: Part II. 4. P.62-63

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

Oct 10, 2021: Comments Cleared.

July 12, 2021:

1. Please provide more detailed risks and opportunities of the impacts of the COVID-19 pandemic.
2. Please elaborate risks that the deployed mini-grids will be discontinued before its lifetime (20 years) as well as that the batteries and other equipment will not be properly replaced during the lifetime.
3. Please elaborate environmental risks of disposal of used batteries, solar panels, power converters, and other grid equipment.

Agency Response

ST_6th October 2021

1. Additional risks and opportunities of the impact of COVID-19 are added. This includes the negative impact on the informal economy representing 79% of the active population in the archipelago and the opportunity of shifting to renewable energy solutions to avoid disruption of imported and expensive fossil fuels to generate energy.
2. Risks of abandoned assets, lack of suitable replacement of batteries and other equipment as well as proper maintenance efforts are indicated as an additional risk category ?service discontinuity risk?. Mitigation measures include close collaboration between community (owner of the system) and private energy service provider (operator), contract with clause on discontinuity, selection of communities with SONELEC and DGEME to comply with energy planning and no or limited national grid and a study on the potential of interconnection with the grid.
3. Risk of disposal of used batteries, solar panels, power converters, and other grid equipment is added to the environmental & climate risk category. The main mitigation measures are related to the collaboration with the GEF/UNDP waste management child project (GEF ID 10185) by including such equipment and the necessary framework.

Reference:

CERDoc: Part II. 5., p.67, 70-71

(ProDoc: II. Table 1, p.10-11)

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

Nov 3, 2021: We note the change of executing arrangements and there is no charge for the GEF financing. Comment cleared.

Oct 10, 2021: Please provide further explanation on how the Agency sought the third party execution rather than UNDP' dual role during the PPG phase.

July 2, 2021: As for UNDP's role on executing support, please address the below.

1. The agreement letter is not translated in English.
2. On UNDP's support on execution, as there was not an upstream consultation, it is not clear why each support was selected given the recommendations under the checklist.

Please provide detailed and precise justifications for each service or remove such services from the list of support provision under PMC. Also, it is not clear from the budget table if UNDP aims to conduct directly project management functions or through support service under PMC. Please also explain if the similar risk categorized (moderate) countries also asked UNDP service support.

2. Please provide explanation on government agencies or third parties which UNDP explored to identify an executing entity during the PPG phase.

Please add elaboration on coordination with other projects and initiatives than GEF projects.

Agency Response

ST_6th October 2021

1. The agreement letter is translated in English and signed
2. An upstream consultation has been thoroughly conducted along with an independent micro-assessment (HACT - Harmonized Approach to Cash Transfers) concluding to a significant risk, and a Partner Capacity Assessment Tool (PCAT) concluding to a low risk, of the identified Implementing Partner, the DGEME. In addition, other projects with the GEF in Comoros have also opted for an assisted NIM based on past experiences and evaluations. All these aspects are reflected in the checklist and in the agreement letter. UNDP shall provide support services through its TRAC resources for the AMP Comoros project, namely related to HR, procurement and finance execution.
3. The DGEME was identified at PIF stage and confirmed during PPG phase as its mandate complies fully with the project's objective.
4. A paragraph on the concrete collaboration with existing projects (co-financiers) other than GEF projects was added in the institutional arrangement chapter.

Reference:

CERDoc: Annex T

(ProDoc Annex 2

p.96-97)

CERDoc: Annexes U

And Ubis, Part II. 6)p.74

(ProDoc Annexes: 17A and 17B,

Part VII, p.70 and VIII p.76)

CERDoc: Part II. 6) p.77

(ProDoc Part VII, p.74)

ST 2/11/2021

Response:

Following GEF Secretariat comments and suggestions, further discussions took place between UNDP country office and the Government. An agreement was reached to move towards a full NIM modality. However, the national Implementing Partner (Executing agency) has been assessed as Significant risk during the capacity assessment (HACT). As per UNDP procedures defined in the POPP (Programme and Operations Policies and Procedures), an advance payment cannot be performed if the risk rating is High or Significant. Therefore, a direct payment modality will be adopted.

In summary, the Project will be Full NIM, using the direct payments modality. UNDP will be providing direct payment services to the project.

Direct payment is a cash transfer modality not be confused with UNDP support services to national implementation. In both cases, payments are made by UNDP from a UNDP bank account. But with direct payments, as stated in UNDP procedures, the government assumes responsibility for the contracting process, performs recruitment or procurement, and signs the contract according to its own rules and regulations. The request for direct payment must be done through the approved FACE form, requesting UNDP to make payment directly to the vendor on behalf of the Partner. Complete vendor banking details approved by the Partner's authorized signatory should be attached to the FACE form.

This Financial Management of payment will basically include:

- ? Make direct payments to vendors,
 - ? Establish checks,
 - ? Create vendor profiles,
 - ? Expenditure verification,
 - ? Preparation of budget revisions
- T The previous DPC actual cost as per the LoA between UNDP and the Government was USD 112,700, with over USD 40,000 dedicated to payments and financial transactions.

The UNDP CO, however, is charging only half of this amount (i.g. 20,000) as DPC, and is proposing to charge them directly to its own co-financing budget. That means no GEF funding will be charged for DPC.

Reference :

CEO ER, section 6

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
Oct 10, 2021: Comment Cleared.

July 12, 2021: Please describe the alignment with the project.

Agency Response
ST_6th October 2021

Additional details related to the alignment of the project were added to the identified national priorities, policies, and strategies as well as regional and international commitments.

Reference:

CERDoc: Part II. 7. p.76

(ProDoc: Part II p. 7-8)

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
Oct 10, 2021: Comments cleared.

July 12, 2021: Please describe how the project will learn from national and regional projects including the GEF-6 project as well as AMP's coordination. Please also clarify knowledge products and budget rather than outputs under component 4.

Agency Response

ST_6th October 2021

A paragraph on how the project will learn from national and regional projects is added. The knowledge management aspects within the AMP project family is included in the chapter. Knowledge products provided by the project along with the overall budget is indicated.

Reference:

CERDoc: Part II. 8. p.76-77

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

Oct 10, 2021: Comment cleared.

July 12, 2021: Please clarify whether all activities are handled by the executing entity in the table.

Agency Response

ST_6th October 2021

Clarified in the M&E table that the executing entity will supervise all M&E related activities, and that the mid-term review evaluation and part of the terminal evaluation will be financially covered by UNDP TRAC resources. Both evaluations will be handled independently to ensure a full objectivity.

Reference:

CERDoc: Part II. 9.p.80

(ProDoc Part VI? p.68)

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

Yes.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

Oct 10, 2021: Comment cleared.

July 12, 2021: Please include responses to comments to PFD, as relevant.

Agency Response

ST_6th October 2021

Revision of some annexes based on the comments as indicated in points above incl. Co-financing letters (Annex J), Stakeholder Engagement Plan (Annex K), GHG emissions calculations.

Comments to PFD area also attached

Reference:

CERDoc: Annexes J, K and S, Comments to PFD

Prodoc: Annexes 14, 15, and 9

Project Results Framework

Secretariat Comment at CEO Endorsement Request Yes

Agency Response
GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Council comments

Secretariat Comment at CEO Endorsement Request

Agency Response
STAP comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Other Agencies comments

Secretariat Comment at CEO Endorsement Request

Agency Response
CSOs comments

Secretariat Comment at CEO Endorsement Request

Agency Response
Status of PPG utilization

Secretariat Comment at CEO Endorsement Request

Nov 9, 2021: Comment cleared.

Nov 8, 2021: There is no description of the activities covered by the PPG ? please add information.

Agency Response Information was added as requested.

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request 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

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

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

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

Nov 9, 2021: Comments cleared including the below two points..

Nov 8, 2021: Please address the below points from policy related viewpoints and comments on co-financing, fees, and PPG activities above. Please also revise relevant sections of ProDoc and resubmit.

1. Please modify the Expected Completion Date to 3/31/2026, so it will match the 48 months of project duration

2. Unspecified Miscellaneous expenses have to be covered by the co-financing portion allocated to PMC ? please remove this budget.

Nov 3, 2021: Please address the remaining comments. Also, please update the ProDoc.

Oct 10, 2021: Please address the remaining comments.

July 12, 2021: Not at this stage. Please address the comments above.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	7/12/2021	
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations