Part I: Project Information

GEF ID
10859

Project Type
FSP

Type of Trust Fund
GET

CBIT/NGI
CBIT **No**
NGI **No**

Project Title
Marshall Islands Building Energy Efficiency

Countries
Marshall Islands

Agency(ies)
IUCN

Other Executing Partner(s)
Marshall Islands government (National Energy Office)

Executing Partner Type
Government

GEF Focal Area
Climate Change

Sector
Energy Efficiency

Taxonomy

Focal Areas, Climate Change, Climate Change Mitigation, Energy Efficiency, Renewable Energy, Enabling Activities, United Nations Framework Convention on Climate Change, Influencing models, Strengthen institutional capacity and decision-making, Demonstrate innovative approache, Transform policy and regulatory environments, Stakeholders, Beneficiaries, Communications, Awareness Raising, Public Campaigns, Behavior change, Education, Type of Engagement, Participation, Consultation, Information Dissemination, Civil Society, Private Sector, Financial intermediaries and market facilitators, Individuals/Entrepreneurs, Gender Mainstreaming, Gender Equality, Sex-disaggregated indicators, Women groups, Gender results areas, Participation and leadership, Capacity Development, Knowledge Generation and Exchange, Capacity, Knowledge and Research, Knowledge Exchange, Knowledge Generation, Learning

Rio Markers

Climate Change Mitigation

Principal Objective 2

Climate Change Adaptation

No Contribution 0

Biodiversity

Land Degradation

Submission Date

9/14/2021

Expected Implementation Start

7/1/2023

Expected Completion Date

12/31/2026

Duration

42In Months

Agency Fee($)

197,422.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Focal Area Outcomes	Trust Fund	GEF Amount($)	Co-Fin Amount($)
CCM-1-3	Promote innovation and technology transfer for sustainable energy breakthroughs for accelerating energy efficiency adoption	GET	2,193,578.00	2,094,921.00
		Total Project Cost($)	**2,193,578.00**	**2,094,921.00**

B. Project description summary

Project Objective

The objective of the proposed project is to improve energy efficiency in the building sector in Marshall Islands to reduce greenhouse gas emissions and help achieve the net zero emission target.

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
Component 1: Enabling activities and policy for energy efficient building in RMI	Technical Assistance	Outcome 1.1: Policies and regulations for energy efficiency are in-place and enforced by relevant government officials Outcome 1.2: Increased awareness of importance of energy efficiency in Majuro and Ebeye	Output 1.1.1: Energy efficiency and conservation measures addressed through government process and regulation Output 1.1.2: Energy efficiency enforcement mechanisms developed and implemented Output 1.1.3: Energy efficiency fiscal and financial policy mechanisms Output 1.2.1: Increased awareness of energy efficiency importance and options among businesses and households	GET	479,000.00	628,477.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
			in Majuro and Ebeye			

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
Component 2: Government and private sector building energy efficiency	Technical Assistance	Outcome 2.1: Building performance and monitoring and evaluation systems established and strengthened Outcome 2.2: Energy efficiency of government buildings improved through demonstration of technology and practices Outcome 2.3: Nature-based solutions for energy efficiency in government buildings demonstrated Outcome 2.4: Increased capacity for energy efficiency Outcome 2.5: Selected private sector entities have specific and articulated	Output 2.1.1: Energy efficiency guidelines and data updated and available for decision making Output 2.2.1: Reduced energy use in government buildings Output 2.3.1: Reduced energy use in building from NbS Output 2.4.1: Increased capacity of government staff and stakeholders to plan and implement energy efficiency projects Output 2.5.1: Private sector pilot building energy efficiency projects	GET	626,500.00	1,047,461.00

Project Component	Financing Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing($)	Confirmed Co-Financing($)
		plans for increasing energy efficiency in their buildings				
Component 2: Government and private sector building energy efficiency	Investment	Outcome 2.2: Energy efficiency of government buildings improved through demonstration of technology and practices	Output 2.2.1: Reduced energy use in government buildings	GET	869,000.00	
Component 3: Monitoring, evaluation, and knowledge management	Technical Assistance	Outcome 3.1: Project knowledge available to stakeholders and partners in RMI and the Pacific	Output 3.1.1: Knowledge management plan developed, implemented, and evaluated Output 3.1.2: Knowledge products secured and available to partners and stakeholders	GET	145,000.00	324,712.00
				Sub Total ($)	**2,119,500.00**	**2,000,650.00**

Project Management Cost (PMC)		
GET	74,078.00	94,271.00
Sub Total($)	**74,078.00**	**94,271.00**
Total Project Cost($)	**2,193,578.00**	**2,094,921.00**

Please provide justification

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($)
GEF Agency	IUCN (EESLI)	Grant	Investment mobilized	100,000.00
Recipient Country Government	Marshall Islands government (National Energy Office)	In-kind	Recurrent expenditures	994,921.00
Donor Agency	World Bank (SEDeP)	Grant	Investment mobilized	1,000,000.00
			Total Co-Financing($)	**2,094,921.00**

Describe how any "Investment Mobilized" was identified

Co-financing from the IUCN Oceania Regional Office was allocated based on the Energy, Ecosystems, and Sustainable Livelihoods (EESLI) III project plans which will work with various Pacific countries to establish links between energy needs and sustainable livelihoods and healthy ecosystems. The EESLI III has a particular focus on Covid-19 recovery efforts and health issues, and the project will work with RMI to explore green/blue recovery efforts with energy efficiency and Nature-based Solutions. The Sustainable Energy Development Project (SEDeP) project, funded by the World Bank, focuses on supporting the National Energy Office implementation of the RMI?s Electricity Roadmap and its energy efficiency goals. The extension of SEDeP funding support to Component III which is Energy efficiency, focuses on supporting technical assistance and capacity building on both electricity use and supply. Under this component, the SEDeP project will support the MIBEE project enhancement of demand side energy efficiency, including raising awareness, building capacity, and promoting energy efficiency measures. World Bank co-financing is identified through the National Energy Office.

D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)	Total($)
IUCN	GET	Marshall Islands	Climate Change	CC STAR Allocation	2,193,578	197,422	2,391,000.00
			Total Grant Resources($)		**2,193,578.00**	**197,422.00**	**2,391,000.00**

E. Non Grant Instrument

NON-GRANT INSTRUMENT at CEO Endorsement

Includes Non grant instruments? **No**

Includes reflow to GEF? **No**

F. Project Preparation Grant (PPG)

PPG Required **true**

PPG Amount ($)

100,000

PPG Agency Fee ($)

9,000

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount($)	Fee($)	Total($)
IUCN	GET	Marshall Islands	Climate Change	CC STAR Allocation	100,000	9,000	**109,000.00**
			Total Project Costs($)		**100,000.00**	**9,000.00**	**109,000.00**

Core Indicators

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO?e (direct)	6253	131037	0	0
Expected metric tons of CO?e (indirect)	118161	51153	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO?e (direct)				
Expected metric tons of CO?e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO?e (direct)	6,253	131,037		
Expected metric tons of CO?e (indirect)	118,161	51,153		
Anticipated start year of accounting	2023	2023		
Duration of accounting	20	20		

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)	166,521	165,793		

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	623	220		
Male	1,364	280		
Total	1987	500	0	0

Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided

The GHG emission reduction attributable to the MIBEE project would mainly come from GHG emission reductions from the energy efficiency improvement in the building sector in RMI. Direct GHG emission reduction is estimated from a completed demonstration of EE technology and NbS application in the government building. The consequential emission reduction will be achieved from the enabling EE policies and regulations (BEC and MEPSL program) that are in-placed and enforced by the relevant RMI government, including replication of private sector building as influenced by the MIBEE project. These indicator six estimations are described in the Project Document, Annex O ? GHG Emission Reduction Estimates. The number of direct beneficiaries was revised based on the RMI Public Service Commission report which indicates that, as of December 2021, the RMI Public Service workforce was at a total of 1,194 employees (44% females and 56% males). The number of the total public sector employees in 2021 was conservatively adjusted to represent the number of direct beneficiaries with a factor of 70% representing the population of Marshallese in Majuro and Ebeye (which are in the project scope), and an assumption that 60% of public sector employees will benefit from the MIBEE project. As a result, the revised number of direct beneficiaries is 500 people, comprising 280 men and 220 women.

Part II. Project Justification

1a. Project Description

There are no changes to the Objective and Component levels as presented in the GEF-approved PIF. However, during the preparation of the Project Document, it was evident that some aspects of the project baseline and barrier analysis require updating. Taking into account of the STAP and GEFSEC?s comments, the changes to the baseline analysis and thoery of changes, some changes to outputs were identified during the PPG. These changes are reflected in the Project Result Framework presented in the Project Document, Section 2. There were some minor changes in outcome and output statements in all project components as detailed in the table below.

Original Outcome & Output Statement	Change and Explanations
Component 1: Enabling activities and policy for energy efficient building in RMI	
Output 1.1.2 Developed and Implemented energy efficiency enforcement mechanisms	**Minor text revision** to the output statement **to be ?Output 1.1.2 Energy efficiency enforcement mechanisms developed and implemented?**.
Output 1.1.3 Increased awareness and capacity of banking sector to market and deliver loans for energy efficient appliances and improvments	The PIF output statement modified as **"Output 1.1.3 Energy efficiency fiscal and financial policy mechanisms developed"** to better reflect the proposed project activities..
Component 2: Government and public sector building energy efficiency improvements	
Outcome 2.1: Building performance and monitoring and evaluation	**Minor text revision** to be ?Outcome 2.1: Building performance and monitoring and evaluation **systems established and strengthend**? to better reflect the proposed project activities.
Outcome 2.2: Demonstrating improved energy efficiency of government buildings through technology and practices	**Minor text revision** to be **"Outcome 2.2: Energy efficiency of government building improved through demonstration of technology and practices"** to better reflect the proposed project activities
Output 2.5.1: Private sector plans and implementation of pilot building energy efficiency projects	**Minor text revision** of Output 2.5.1 to be **?Output 2.5.1 Private sector pilot building energy efficiency projects implemented?** to better reflect the proposed project activities.
Component 3: Monitoring, evaluation, and knowledge management	

Outcome 3.1: Communications plan and knowledge management plan developed and implemented Outcome 3.2 Project data and outcomes available to stakeholders available to stakeholders and partners in RMI and the Pacific	**Outcomes 3.1 and 3.2 in PIF were** combined into a single Outcome, and the new outcome statement is ?**Outcome 3.1 Project knowledge available to stakeholders and partners in RMI and the Pacific**?.
Output 3.2.1: Project data secured and available to partners and stakeholders	Output 3.2.1 in PIF is now designated as Output 3.1.2 with minor text revision to be ?Output 3.1.2 Knowledge products secured and available to partners and stakeholders?

Allocation of the GEF trust fund to each project component was adjusted to reflect the nature and intensity levels of project activities in each components, as summarized below.

Component	Concept Note	CEO Endorsement
Component 1: Enabling activities and policy for energy efficient building in RMI	499,122.00	479,000
Component 2: Government and public sector building energy efficiency improvements	1,540,000.00	1,495,500
Component 3: Monitoring, evaluation, and knowledge management, including M&E	50,000.00	145,000
Project management cost (PMC)	104,456.00	74,078
Total	**2,193,578.00**	**2,193,578.00**

A portion of GEF funds originally staged in PIF for INV in Component 2 is now reallocated for both technical assistance (TA) and investment with a slight decrease from US$1,540,000 to US$ 1,495,500 to accommodate increasing TA costs in Component 1 and Component 3. The cost of Component 3, presented in the table above, is included M&E cost of 30,000 USD. The revised grant amount for Project Management Cost (PMC), including M&E cost, accounts for 4.98% of the total grant amount for project components.

Compared to the Concept Note, the co-finance situation at CEO Endorsement is as follows:

Source of Co-Financing	Concept Note	CEO Endorsement
GEF Agency: IUCN (EESLI)	100,000.00	100,000.00
Marshall Islands government (National Energy Office)	500,000.00	994,921.00
Donor Agency: World Bank (SEDEP)	1,000,000.00	1,000,000.00
Donor Agency: European Union (EU EDF11)	1,000,000.00	Not available
Total	**2,600,000.00**	**2,094,921.00**

1a. Project Description

1) The global environmental and/or adatation problems, root cause and barriers that need to be addressed.

Global environmental problem

The Republic of the Marshall Islands (RMI) is classified as a Small Island Developing State (SIDS) in the North Pacific Ocean, and RMI consists of twenty-nine atolls with 1,156 islands and islets. RMI is one of the world's low-lying coral atoll nations, with an average altitude above sea level of 2.1 meters. RMI has a warm, tropical climate year-round with a mean annual temperature of around 27.6?C, and the annual mean temperatures have been observed to increase at a 5% level in Majuro and Kwajalein since 1952[1]1. Sea level is projected to rise by 7-19 cm by 2030 and 41-92 cm by 2090, shoreline erosion caused by sea-level rise is already a significant problem across the RMI. Given its geographic structures, RMI is highly vulnerable to climate change impacts which exacerbate difficulties of development challenges and poverty across the archipelago. The rising warming trend will increase air conditioning demand in public and private buildings and cooling demand in cold storage facilities in the fishery industry in RMI.

Electricity ? the main enery source for lighting, space cooling and heating, appliances and equipment - is the fastest-growing energy source in residential and commercial buildings. According to the 2021 Global Status Report for Buildings and Constructions (Global ABC) prepared by the International Energy Agency (IEA), the building sectors worldwide accounted for 36% of global energy demand and 37% of energy-related CO_2 emissions in 2020. From 2010 to 2019, global electricity use in buildings rose by approximately 22%, and residential and non-residential buildings were accounted for 22% and 8% of final energy consumption, respectively.[2][2]

Based on the RMI's 2018 Nationally Determined Contribution (NDC), RMI?s GHG emissions were estimated at 116 $ktCO_{2e}$ in 2010 and 121 $ktCO_{2e}$-in 2016, and these emissions mainly comes from four activities: energy generation; transport (land and sea); waste (waste disposal on land and wastewater handling); and other (residential and commercial). The major source of GHG emissions in RMI is the energy sector, mainly from electricity generation. The 2018 RMI electricity roadmap estimated that electricity sector emissions at around 57 $ktCO_{2e}$ or 47% of the national emissions in 2016.

In 2019, the total electricity generation was 80.1 GWh, and most of which (97.3%) came from diesel generation with the remaining 2.7% met by solar PV[3]3. High diesel generation mix makes RMI highly vulnerable to transportation disruptions and global price fluctuations. The 2050 Climate Strategy estimates that 10% of RMI?s GDP is spent on importing fossil fuels for electricity generation alone. RMI?s electricity price per kWh ranks in the top 15 countries having the highest electricity costs in the world[4][4], and the high electricity cost remains the main obstacle to improving standards of living and business profitability. This poses challenges for governance and the socio-economic situation in RMI. Based on the RMI?s electricity roadmap, the residential sector accounted for 36% of electricity generated by the Marshalls Energy Company (MEC), followed by the commercial sector at 29%, and the government sector at 12%. The government and non-residential buildings accounted for the largest share of electricity comsumption in RMI. The top 17 government and commercial customers in Majuro consume about 20 GWh annually or about 20% of annual energy consumption in Majuro.

The RMI government is stongly committed to reducing its GHG emissions. In accordance with the NDC targets, RMI has aimed to reduce GHG emissions below the baseline in 2010 by 32% by 2025 and 45% by 2030, and to have its net-zero emissions by 2050 with 100% renewable energy (RE). Reductions in electricity emission will come from a combination of RE measures (wind, solar power and enabling technologies), EE and demand side management measures, and utilization of biodiesel. RMI recognizes that the net-zero emission target cannot be achieved only by the short-term and long-term advances in RE adoption but concurrent investments in energy efficiency (EE) and managing demand growth are also vital to the success.

RMI?s electricity roadmap outlines the strategy to utilize EE measures to supplement RE integration into the electricity grids. The roadmap also identifies several key measures for energy efficiency and conservation (EE&C) in RMI, and the government has set several targets for its EE goal. The target is to reduce electrical energy use in Majuro and Ebeye by around 10% in 2025 and 20% in 2030, over the business-as-usual scenario.

More details on of country background, envrionmental-socio-economic context and global environmental problem, and the eletrcity sector analysis are described in the Project Document, Section 3.1-3.2.

Root causes and Barriers

The ambitious targets of 10% demand reduction by 2025 and 20% by 2030 depend entirely on policies and regulations enforcement mechanisms, the EE appliances/equipment market transition in RMI, skill and commitment of stakeholders, and human resources who work on EE in different end-use sectors.

The root causes and gaps in limited adoption of EE in the building sector in RMI to date are as follows:

- **Lack of Specific EE Regulatory Frameworks:** NEO is mandated to issue regulations on reporting and accounting for efficiency in energy use, EE standards for existing and new buildings or Building Energy Code (BEC) and Minimum Energy Performance Standards and Labeling (MEPSL) for electrical equipment and appliances. Without these specific regulatory frameworks, NEO is unable to effectively enforce implementation of these EE measures, and the EE market condition will not be created.

- **Absence of EE Procurement Regulation:** Government leadership is identified as one of the key EE measures in the RMI Electricity Roadmap. The current government procurement regulation puts an emphasis on the least first cost which undermines EE in government buildings. The whole-of-life cost, including operating cost and maintenance, still need to be taken into account in the government procurement regulation in RMI.

- **Lack of EE Resources and Capacity:** Limited knowledge and know-how on EE evaluation (e.g., energy audits) and EE upgrades in RMI have resulted in limited necessary improvements in energy performance of energy using equipment and poor overall EE performance of electrical equipment in government, commercial and residential buildings. There are limited tools and guidelines to assist regulators and practitioners in conducting technical assessments, monitoring, and evaluations that will significantly improve the effectiveness of implementing EE measures.

- **Limited Fiscal and Financial Instruments**: RMI has been implementing import duty examption for EE appliances and lighting products for years. However, there are no other specific fiscal incentives and financing mechanisms to support EE investments in RMI, and capacity of the local banks to develop and deliver EE loan mechanisms for commercial customers and households appears to be limited.

The abovementioned root causes have created multiple barriers related to policy and regulations, technical capacity, financial and awareness, and these barriers will need to be removed to enable greater adoption of EE technologies and measures in the RMI building sector.

More details on threats, roots causes and barrier analysis are described in the Project Document, Section 3.3.

2) The baseline scenario and any associated baseline projects

There are several programs, projects and activities initiated to promote EE measures and renewable energy investments in RMI and other Pacific Island countries. Relevant activities from these have been considered as baseline activities, including:

- Demand-Side Energy Efficiency in the RMI Electricity Roadmap ? The 2018 Electricity Roadmap highlights the EE&C strategies for RMI to improve demand-side energy efficiency and to promote EE behavior among energy consumers. Government offices and business buildings on Majuro and Ebeye are the potential targets for energy-saving opportunities through investing in energy-efficient appliances, changing the way people use energy, and improved building design and construction. The roadmap identified key EE&C measures for RMI to achieve the target of reducing energy demand, and these will be referenced in Components 1 and 2 of this MIBEE project.

- The Sustainable Energy Development Project (SEPeP), funded by the World Bank, has been developed to support the design, supply, installation for renewable energy-solar power generaton investment, as well as to promote energy efficiency and loss reduction, and support of technical assistance and capacity building. It has provided technical and operational assistance to reduce energy demand, by improving the efficiency for both the use and supply of electricity, and by encouraging more energy efficiency through public information campaign. The Demand Side Energy Efficiency under sub-component 2.2 of this project will support the enhancement of efficient energy use by supporting information awareness campaigns, workshops, training, and education on demand-side management (DSM) and EE. The technical assistance and capacity building, under component 3 sub-component 3.1 of this baseline project, will also support enhancing the capacity of the Banking sector and Postal Service to support efficient energy sector operation. The activities under sub-component 2.2 and sub-component 3.1 of this baseline project will be subsumed as baseline activities under Component 1 and 2 of the MIBEE project to support the development of policies and regulations for EE, increased awareness of the importance of EE, as well as increased capacity for EE in the government and private sector.

- The Micronesia Public Sector Building Energy Efficiency (MPSBEE), funded by GEF6, aims to improve energy conserving and energy efficient (EC&EE) techniques and practices in the design, retrofit, and O&M of public sector buildings in the Federated States of Micronesia (FSM). The project-specific activities include monitoring and evaluating documents in public sector buildings. The corresponding methodologies in the baseline project will provide an insight contribution towards the development of monitoring and evaluation methodologies to assess energy saving and GHG emission benefits of energy efficiency measures and practices in the building that will be subsumed under the Components 2 and 3 of the MIBEE project.

Details of the baseline analysis are described in the Project Document, Section 3.5.

3) The proposed alternative scenario with a brief description of expected outcome and components of the project

The main objectives of the proposed ?Marshall Islands Building Energy Efficiency? (MIBEE) project are to improve EE in the building sector in RMI to reduce greenhouse gas emissions and help achieve the net zero emission target. The MIBEE project aims to achieve the objectives through the implementation of the following project components:

Component 1: Enabling activities and policy for energy efficient buildings in RMI

Component 2: Government and public sector building energy efficiency improvements

Component 3: Monitoring, evaluation, and knowledge management

The abovementioned components will address the barriers hampering promotion and adoption of EE in the building sector in RMI. The project activities are designed with the primary focuses on establishing and strengthening enabling policies and regulations for EE buildings in RMI, demonstrating application of EE measures and Nature-based Solutions (NbS) practices in public and private sector buildings, and building awareness and capacity among government staff and other relevant stakeholders to plan, implement, enforce and monitor EE projects across RMI.

Brief descriptions of expected components and outcomes of the project are as follows:

Component 1: Enabling activities and policy for energy efficient buildings in RMI

Component 1 will develop and implement enabling policies and regulations for EE buildings in RMI. These include establishment of technical working groups (TWGs) to prepare draft regulatory documents, facilitation of stakeholder consultation to review and finalize regulatory documents, and development and implementation of enforcement mechanisms. This component will also promote awareness on building EE and support capacity building and training for the government staff and local stakeholders in EE measures and NbS with gender-disaggregated consideration.

Outcome 1.1: Policies and regulations for energy efficiency are in-place and enforced by relevant government officials

This outcome will be realized to successful delivery of Output 1.1.1, 1.1.2 and 1.1.3. Under Output 1.1.1, the project will support NEO and other key government stakeholders in development of regulatory documents and relevant technical requirements for building sector in RMI. This project output will be collectively delivered by providing technical assistance to NEO in preparing draft regulations for the Building Energy Code (BEC), MEPSL, EE procurement guidelines and EE&C implementation guidelines for government agencies in RMI. The EE procurement guideline will reference EE requirement specified in the BEC and MEPSL program. The EE&C guidelines for government buildings with the primary focus on no-cost and low-cost EE&C measures, including NbS adoption in the building environment that could be immediately implemented by government employees and building tenants. It is envisaged that three technical workshop groups (TWGs) will be established to help review and guide project activities related to BEC, MEPSL and EE procurement. Output 1.1.1 will be achieved through the following proposed activities and deliverables

Activities

- Activity 1.1.1.1: Assessment and recommendation of practical BEC requirements for RMI
- Activity 1.1.1.2: Assessment and recommendation of practical MEPS and energy labelling requirements for RMI

? Activity 1.1.1.3: Preparation and adoption of building energy code
? Activity 1.1.1.4: Preparation and adoption of MEPSL program
? Activity 1.1.1.5: Preparation and adoption of EE procurement guideline
? Activity 1.1.1.6: Preparation and promotion of EE&C guidelines for government buildings

Deliverables

? Assessment report with recommendations on BEC for RMI
? Assessment report with recommendations on MEPLS program for RMI
? BEC for RMI with supporting regulatory documents and implementation roadmap
? MEPSL program design with supporting regulatory documents and implementation roadmap
? EE procurement guideline with a list of certified EE products
? EE&C guidelines for government buildings in RMI

Under Output 1.1.2, the project will focus on development of guidelines and supporting mechanisms to initiate enforcement of the BEC regulation, MEPSL regulation and EE procurement guidelines developed in Output 1.1.1. The implementation guidelines will explain in more details about obligations, roles and responsibilities of different stakeholders involved in implementation of BEC, MEPSL and EE procurement, and recommend necessary supporting mechanisms as well as awareness, training and capacity building programs to ensure effective monitoring and enforcement of the proposed regulations.Output 1.1.2 will be achieved through the following proposed activities and deliverables

Activities

? Activity 1.1.2.1: Preparation of Implementation Guideline for BEC
? Activity 1.1.2.2: Preparation of Implementation Guideline for MEPSL

Deliverables

? Implementation guideline and operating manual for BEC
? BEC-compliant building database
? Implementation guideline and operating manual for MEPSL
? MEPSL product registration system

Under Output 1.1.3, EE fiscal and policy instruments will be developed to support the proposed BEC, MEPSL and EE procurement guideline as well as other EE investments beyond the regulatory requirements. The EE fiscal and financial policy instruments will also be designed to support the role of EE in RMI?s climate change strategy and economy. The project will work with MoF and the banking sector in RMI, to take stock of financing policies, regulatory frameworks and practices for construction and electrical equipment/appliance in RMI. Output 1.1.3 will be achieved through the following proposed activities and deliverables:

Activities

? Activity 1.1.3.1: Assessment of past and ongoing EE fiscal and financial mechanisms in RMI
? Activity 1.1.3.2: Building capacity of banks in EE financing
? Activity 1.1.3.3: Development of EE fiscal policies and financial mechanisms

Deliverables

- Assessment report of past and ongoing EE fiscal and financial mechanisms in RMI with recommendations
- Final designs of EE fiscal policies and financial mechanisms

Outcome 1.2: Increased awareness of importance of energy efficiency in Majuro and Ebeye

Under Outcome 1.2 Output 1.2.1, the project will support NEO and other key government stakeholders in raising awareness of private sector entities across Majuro and Ebeye on EE in general as well as EE regulations, guidelines and supporting mechanisms developed under Output 1.1.1. A survey and assessment will be conducted to understand awareness levels, information needs, communication channels, and other important characteristics. The scope of the EE awareness campaigns and profiles of target audiences will be defined, and the campaign strategy will be developed. A detailed EE awareness campaign will be designed with activities, timeline and deliverables. Production of marketing tools and materials will also be carried out as part of this outcome. Implementation of the EE awareness campaign will be carried out in parallel with other project activities. Relevant project deliverables and outputs under Component 2 and 3, including successful EE demonstrations, will be utilized in the customed EE awareness programs. Output 1.2.1 will be achieved through the following proposed activities and deliverables:

Activities
- Activity 1.2.1.1: Assessment of EE awareness baseline in Majuro and Ebeye
- Activity 1.2.1.2: Development of EE awareness campaigns
- Activity 1.2.1.3: Implementation and monitoring of EE awareness campaigns
- Activity 1.2.1.4: Establishment of a web-based building EE portal in RMI

Deliverables
- Assessment report of EE awareness baselines in Majuro and Ebeye
- EE awareness campaigns designed and implemented with proper monitoring results
- A web-based building EE portal designed, established and operationalized

Component 2: Government and public sector building energy efficiency improvements

Component 2 will focus on improving building EE in RMI through various EE demonstration activities in government and private sector buildings across Majuro and Ebeye. It will institutionalize energy audits in government buildings and establish a database for managing and monitoring EE progress. It will pilot EE retrofits of air-conditioning systems in key buildings across the capital demonstrating how to cost for retrofits and implement them. The use of Nature-based Solutions (NbS) for EE, particularly through landscaping and planting of native and endangered tree species on sunny sides of buildings, will set an example for low-cost solutions to reduce the energy required for the cooling load of air conditioners in building.

Outcome 2.1 Building Performance and monitoring and evaluation system established and strengthened

Outcome 2.1 will be delivered through establishment and operationalization of systems and guidelines which will enable energy data collections and energy audits, analysis of energy data, identification of EE measures, and implementation and monitoring of EE measures. Output 2.1.1 under this outcome will be delivered through preparation of building energy audit guidelines and procedures and establishment of an energy reporting system which will be utilized to support the conduct of basic (walk-through) energy audits and also detailed energy audits. Output 2.1.1 will be achieved through the following proposed activities and deliverables:

Activities

- Activity 2.1.1.1: Preparation building energy audit guidelines and procedures
- Activity 2.1.1.2: Establishment of a building energy reporting system
- Activity 2.1.1.3: Conduct of energy audits in government and private sector buildings

Deliverables

- Building energy audit guidelines and procedures
- Energy reporting database to support energy audits, EE implementation and monitoring
- Energy audit reports for key government and private sector buildings

Outcome 2.2 Energy efficiency of government buildings improved through demonstration of technology and practices

Outcome 2.2 will be achieved through implementation of no-cost EE measures and investments in EE air-conditioning systems and other EE technologies identified by the energy audit exercises. Output 2.2.1 under this outcome will be delivered through preparation of an implementation plan for retrofitting existing energy end-use systems in key government buildings; procurement and installation of EE technologies; and monitoring and verification of EE measures implemented in the key government buildings. The M&V plan will be established and carried out to gather the baseline data and post-installation energy efficiency performance monitoring and reporting for each EE retrofit building. Demonstration of EE measures and energy performance data retrieved from the M&V instrument and report in key government buildings will also be utilized to support the capacity building program under Outcome 2.4 to improve of the level of knowledge, skills and competency of personnel attached to the demonstration buildings through direct involvement. Output 2.2.1 will be achieved through the following proposed activities and deliverables:

Activities

- Activity 2.2.1.1: Validation of equipment inventory and preparation of implementation plan
- Activity 2.2.1.2: Finalization of technical design and procurement of EE measures
- Activity 2.2.1.3: Installation of EE measures and conduct of M&V activities

Deliverables

- EE retrofit implementation and M&V plans for selected key government buildings
- Procurement documents with technical specifications of EE measures
- Installation and operationalization of EE measures in selected key government buildings

- EE implementation reports for selected key government buildings

Outcome 2.3 Nature-based solutions for energy efficiency in government buildings demonstrated

Outcome 2.3 will be realized through integration of the Nature-based Solutions (NbS) for EE improvement in government buildings. Output 2.3.1 under this outcome will be delivered through evaluation and application of NbS for reducing energy use in government buildings. The NbS guidelines for EE landscaping and tree planting for building on Majuro will be developed, including recommended energy modeling and measurement approaches for monitoring and evaluating EE impact on buildings. Demonstration of NbS for EE in key government buildings under this outcome will be linked to the capacity building activities under Outcome 2.4. Output 2.3.1 will be achieved through the following proposed activities and deliverables:

Activities

- Activity 2.3.1.1: Development of NbS guidelines for EE landscaping and tree planting on Majuro
- Activity 2.3.1.2: Evaluation of government buildings for landscaping and tree planting sustainability
- A Activity 2.3.1.3: Demonstration of NbS for EE improvement in key government buildings and preparation of EE impact reports

Deliverables

- NbS guidelines for EE landscaping, tree planting and EE impacts monitoring
- Detailed designs of NbS and implementation plans for key government buildings
- Demonstration of NbS for EE in key government buildings with impact reports

Outcome 2.4 Increased capacity for energy efficiency

Outcome 2.4 will result in human resources capacity for EE among government staff and other stakeholders to plan, implement, enforce, and monitor EE projects across RMI. Output 2.4.1 under this outcome will be delivered through development and implementation of a comprehensive capacity building and training program. The design and development of a capacity building and training program will include training need assessments of government staff, other stakeholders, and women groups. All implementing regulations/guidelines, tools, and demonstration projects developed under the project will be part of the capacity building and training program. Output 2.4.1 will be achieved through the following proposed activities and deliverables:

Activities

- Activity 2.4.1.1: Capacity building and training needs assessments
- Activity 2.4.1.2: Development of capacity building and training programs and plan
- Activity 2.4.1.3: Preparation of materials and implementation of capacity building and training programs

Deliverables

- Capacity building and training needs assessment report

? Final capacity building and training programs with implementation plan
? Capacity building and training programs implementation reports with M&E results

Outcome 2.5 Selected private sector entities have specific and articulated plans for increasing energy efficiency in their buildings

Outcome 2.5.1 will be realized through implementation of a communication/outreach and technical assistance program targeting at private sector entities in RMI to enhance the technical and financial capacities of the private sector partners in implementation of building EE projects. The technical assistance programs will be tailored to suit the needs of each private sector partner. The project will provide hand-holding supports for the private sector partners in realizing energy savings benefits from EE investments in their facilities. Output 2.5.1 under this outcome will be combined with results and lessons from other outcomes, specifically the fiscal and financial mechanisms developed under Output 1.1.3 and capacity building and training under Output 2.4.1, to enable private sector entities in RMI to implement building EE projects. Output 2.5.1 will be achieved through the following proposed activities and deliverables:

Activities
? Activity 2.5.1.1: Identification of private sector partners
? Activity 2.5.1.2: Design and implementation of communication/outreach and technical assistance program
? Activity 2.5.1.3: Facilitation of EE project planning, implementation and reporting

Deliverables
? Communication/outreach and technical assistance program for private sector partners
? Specific and articulate plans for EE investments in private sector partners? buildings
? EE implementation reports

Component 3: Monitoring, evaluation, and knowledge management

Component 3 will focus on documentation and consolidation of knowledge created during the MIBEE project implementation period, and dissemination of these knowledge products and outputs to stakeholders involved in the project and beyond.

Outcome 3.1 Project knowledge available to stakeholders and partners in RMI and the Pacific

Outcome 3.1 will be realized through delivery Output 3.1.1 and 3.1.2 which will collectively develop and implement a project knowledge management plan in connection with various project outputs under Component 1 and 2.

Under Output 3.1.1, the project will prepare a plan for compilation of knowledge products developed under various MIBEE project outputs to ensure greater dissemination and access to the project?s knowledge products through the web-based building EE portal for project stakeholders in RMI and beyond. Access and utilization of these knowledge products will be monitored and evaluated to determine

possible improvements in the dissemination approaches and plans. Output 3.1.1 will be achieved through the following proposed activities and deliverables:

Activities
- Activity 3.1.1.1: Preparation knowledge management plan
- Activity 3.1.1.2: Implementation, monitoring and evaluation of knowledge management plan

Deliverables
- Knowledge management plan
- Evaluation report of the knowledge management plan implementation

Under Output 3.1.2, the project aims at compiling all knowledge outputs produced by the project and store in the web-based building EE portal developed in Output 1.2.2. Considering that the project knowledge products will be most likely in digital formats, so the main dissemination channels would primarily include social and other electronic medias. Implementation of dissemination of the project knowledge products to partners and stakeholders in RMI and the Pacific will be linked to the relevant capcity building and training activities under Outcome 1.2 (Increased awareness on importance of energy efficiency in Majuro) and Outcome 2.4 (Increased capacity for energy efficiency). Utilization of the knowledge products will be monitored and evaluated for improvements, and the results will be included in the evaluation report. Output 3.1.2 will be achieved through the following proposed activities and deliverables:

Activities
- Activity 3.1.2.1: Digitization and storage of knowledge products
- Activity 3.1.2.2: Dissemination of knowledge products to partners and stakeholders

Deliverables
- A list of up-to-date knowledge products available through the web-based building EE portal
- Evaluation report of accessibility and utilization of knowledge products

Details of activities and expected outcomes, outputs and deliverables under each project component are described in the Project Document, Section 4.3.

4) Alignment with GEF focal area and/or Impact Program strategies

The proposed MIBEE project is fully aligned to the GEF7 Climate Change Focal Area Strategy through Objective 1: Promote innovation and technology transfer for sustainable energy breakthroughs ? accelerating energy efficiency adoption.

5) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF and Co-financing

While there have been multiple initiatives over the past decade in promoting EE in RMI, the progress of implementing EE measures in the buildings sector in RMI is still slow due to various barriers as described earlier. Although the RMI?s 2018 Electricity Roadmap highlights the importance and priority of demand-side energy efficiency and EE behaviors among energy consumers, it is unclear if these will contribute synergistically in the achievement of the EE targets for the buildings sector in RMI.

Without the GEF intervention through actions that will remove barriers to the enforcement of the BEC and MEPSL programs and widespread application of EE building technologies, the energy performance scenario in the building sector in RMI will be more or less likely to follow the current situation and operation of the present business-as-usual; in which the existing and new building construction is not subject to consideration of being built with EE design and adoption of EE measures. The overall improvements in building energy performance in RMI will be slowly in-place with the phasing out of obsolete technologies, and CO_2 emission reduction from the operation of energy-consuming equipment/appliances and service facilities in the public and private building sector will not be carried out as the national strategy plan. It will likely take some years to achieve benefits in terms of energy savings, energy supply cost reductions and GHG emission reductions.

GEF incremental activities in this project are built on the baseline activities, and they will provide vital supports to NEO in effective enforcement of the BEC and MEPSL programs, while helping to set up voluntary EE procurement and EE&C program in government and private sector buildings, develop fiscal incentives and facilitate access to EE financing for building EE projects, and greatly enhance the level of awareness of building practitioners and end-users on the benefits of EE.

6) Global environmental benefits (GEFTF) and/or adaption benefits (LDCF/SCCF)

Through implementation of project components and activities, the project is expected to contribute to both global environmental and national benefits, and the direct emission reduction of 32,605 tCO_{2e} is estimated from implementation of EE technologies and practices as well as adoption of Nature-based Solutions (NbS) directly financed by the project using GEF funding and project co-financing. Additionally, the project has direct post-project GHG emissions savings of 98,432 tCO_{2e} as a result of BEC and MEPSL implementation that will lead to the transition of the standard design buildings towards the EE green design building (cumulatively over the period 2027 ? 2046). The project?s expected overall direct emission savings (i.e., direct + direct post-project) are therefore 131,037 tCO_{2e} from 2023 to 2046. The Indirect emissions, from early replacements of inefficient air conditioning, lighting and refrigeration appliances and EE building retrofits will result in reduction of 51,153 tCO_{2e}. Details of these impact estimations are detailed described in the Project Document, Annex O ? GHG Emission Reduction Estimates.

Considering the estimated direct CO_{2e} emission reductions until End-of-Project (EOP), and cumulative direct CO_{2e} emissions avoided over the lifetime that can collectively be attributed to the project, this

translates to an approximate Unit Abatement Cost (UAC) of US$12.04 tCO_{2e} (i.e., GEF$ per ton CO_{2e}). The estimated UAC of the project is based on a very conservative estimation approach that has been applied to determine direct GHG reductions and does not consider either post-project direct emissions reductions that will be accomplished through financial mechanism or indirect emissions reductions achieved through replication of technology investments and additional demonstration projects.

7) Innovativeness, sustainablility and potential for scaling up

Innovation:

The MIBEE project is designed to have a balanced mix of enabling environment, capacity building and training, and awareness activities tailor-made to the RMI?s specific market and regulatory environment. Such balanced mix of activities is expected to promote awareness and applications of building EE technologies in RMI. There have been very few attempts at using NbS and landscaping for EE in the Pacific SIDS, and this project will develop guidelines and examples to demonstrate how other countries may use this technique to reduce energy costs. These innovations will be useful for SIDS across the Pacific region, but particularly for atoll states of Micronesia and Polynesia.

Sustainability:

Sustainability is an integral element of the project activities and is ensured through the project outputs. Guidelines on enforcement of mandatory programs (e.g., BEC and MEPSL) and on voluntary implementation of various EE measures for NEO, relevant government and private sector stakeholders, and EE conscious consumers will help reinforce the sustainability of the building EE implementation in RMI in a long term.

- Financial and economic sustainability

Engaging financial institutions in RMI early in the development phase will ensure that the proposed financial mechanisms/instruments will be designed to be effective under the rules, regulations and practices of the financial industry in RMI, and yet responsive to the needs their clients. It is envisaged that knowledge in EE financing options for the building sector, and understanding in the overall market potential, will stimulate adoption of these EE financial mechanisms/instruments by FIs and potential clients. Positive financial and economic impacts of various demonstration projects in government and private sector buildings will ensure that future building EE initiatives could be implemented in cost-effective ways and hence promote a long-term sustainability of the proposed financial mechanisms/ instruments.

- Institutional sustainability

The sustainability of the institutional elements of the project will be ensured through enhanced capacities of NEO and other government and private sector entities involved in enforcement of BEC and MEPSL programs and EE measures in government and private sector buildings. All regulations, guidelines, tools, and demonstration projects developed under Component 1 and 2 of the project will be part of the capacity building and training programs. The project will collaborate with the PSC and relevant TWGs to conduct a training-of-trainers (ToT) program and embed the training modules and programs developed by the project in the existing training systems managed by the government and research/academic institutions in RMI. Tools and knowledge products produced by the MIBEE project will directly benefit NEO and these stakeholders. Moreover, the web-based building EE portal will be embedded within NEO and will help formalize roles and responsibilities in EE implementation and reporting by government and private sector entities. The collaborative approaches and strategies in the MIBEE project will reinforce the long-term sustainability of institutional and coordination structures with regards to implementation of EE in the building sector in RMI.

Potential for Scaling Up:

Replication is an integral component of the project design as the expected energy savings from the application of EE technologies in government and private sector buildings in RMI (and the corresponding GHG emissions reduction from the reduced electricity consumption) rely on the replication of the relevant MIBEE activities. This is an important part of the project strategy and is a reason for the emphasis put on information and capacity building related activities. Replicability of the proposed project components will be ensured through compilation of lessons learned from public and private sector demonstrations, successful adoption and utilization of EE fiscal and financial policy instruments by the private sector, and dissemination of these knowledge outputs at national and regional levels as described in Component 3. These will collectively enhance the scaling up potential of EE/RE investments by the government and private sector in RMI.

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[1] Climate Risk Country Profile: Marshall Islands, World Bank, (2021). https://climateknowledgeportal.worldbank.org/sites/default/files/2021-06/15817-WB_Marshall%20Islands%20Country%20Profile-WEB.pdf

[2] https://globalabc.org/sites/default/files/2021-10/GABC_Buildings-GSR-2021_BOOK.pdf

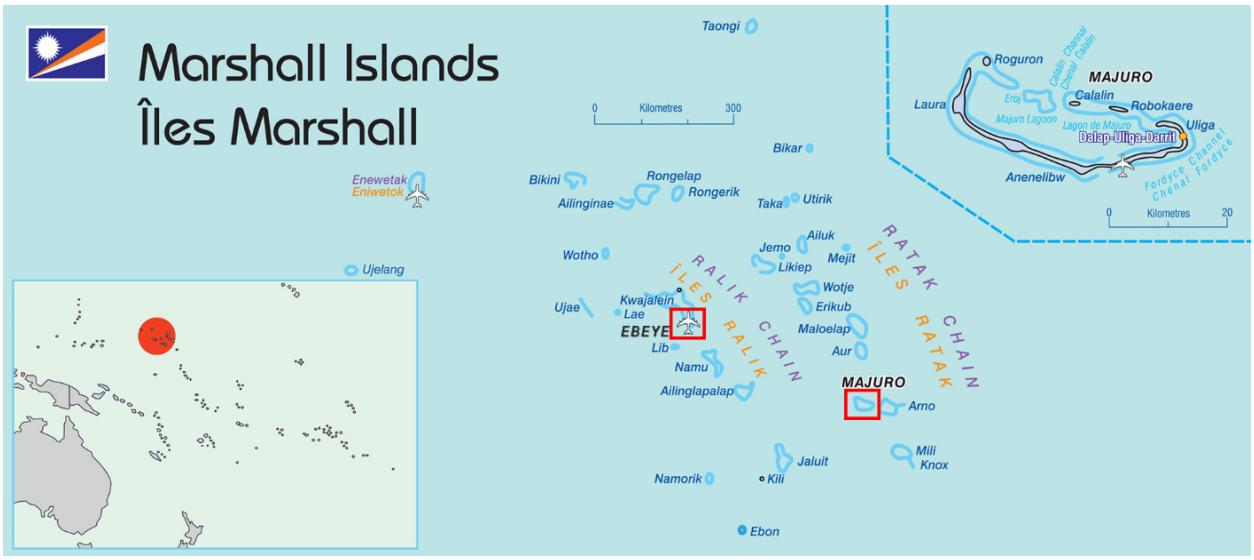
[3] Marshall Islands Energy Snapshot, Energy Transitions Initiative, U.S. Department of Energy (2020)

[4] The price of electricity per kWh in 230 countries in 2021. https://www.cable.co.uk/energy/worldwide-pricing/#pricing

1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

The project will focus on Majuro and Ebeye as the two major population centres in RMI. Majuro is at 7.06?N 171.26?E. Ebeye is at 8.78?N 167.72?E.



1c. Child Project?

If this is a child project under a program, describe how the components contribute to the overall program impact.

2. Stakeholders

Select the stakeholders that have participated in consultations during the project identification phase:

Civil Society Organizations Yes

Indigenous Peoples and Local Communities No

Private Sector Entities Yes

If none of the above, please explain why:

During the Project Preparation Grant (PPG) phase, the project engaged all key stakeholders through bilateral meetings and consultation workshops, and these took place during the design and final validation of the project approach and activities. Regional, national, and local stakeholders from the national institutions, the private sector, and civil society have been invited to share data and information on the project design and implementation of activities. The stakeholder consultation workshop was organized on October 21st, 2022 and had 12 people from 10 national and international organizations.

Please provide the Stakeholder Engagement Plan or equivalent assessment.

The stakeholder analysis and potential impacts of the MIBEE project design and implementation are described in detail in the Project Document, section 3.4. The Stakeholder Engagement Plan (SEP) identifies how various stakeholders will be involved in specific project components and activities. The SEP is described in detail in the Project Document, section 6.2.

The primary stakeholder of this project is NEO, which is the main executing agency of the project and will be responsible for project management and implementation of all project components to ensure meaningful consultations with all relevant stakeholders. Successful implementation of the project will depend on the active participation of stakeholders. Other relevant stakeholders will be engaged and consulted through involvement in the Project Steering Committee (PSC), Technical Working Groups (TWGs), stakeholder consultation meetings, and direct participation in execution of project activities.

The PSC members will receive periodic progress reports, and the full project updates will be provided during the PSC meetings, which will be organized at least twice per year. It is envisaged that the TWG members will be more frequently engaged through the working group meetings in which specific technical matters related to project activities will be discussed. Other project stakeholders will be engaged through the organization of stakeholder consultation meetings which will be organized during the project implementation period. It is important that women and vulnerable groups are given the opportunity through PSC and TWG consultations to be made aware of the proposed activities, contribute to comments in all components. The project will balance gender representation in the project steering and advisory structures. A Stakeholder Engagement Plan (SEP) in the Table below identifies how the various stakeholders will be involved in what specific project components and activities.

Stakeholder Engagement Plan (SEP)

Stakeholder Engagement Plan				
Stakeholder	**Purpose of Engagement**	**Mechanism/Process of Engagement**	**Responsible Entity**	**Frequency /Timing**
Government Agency				
National Energy Office (NEO)	NEO will be the main executing agency overseeing the project implementation.	NEO will host the Project Management Unit (PMU) and will be responsible for project management and implementation of all project components and activities. NEO will sit in the Project Steering Committee (PSC) and be responsible for communication and coordination with relevant national government agencies in project implementation.	The PMU, under NEO office, will contribute to the core team for the project?s implementation. At the project level, there will be a part-time energy efficiency officers to coordinate and report on activities..	Entire the project period

Stakeholder Engagement Plan				
Stakeholder	**Purpose of Engagement**	**Mechanism/Process of Engagement**	**Responsible Entity**	**Frequency /Timing**
Climate Change Directorate (CCD)	CCD will be part of the PSC.	As a PSC member, CCD will provide strategic guidance and oversee the operational aspects of the project. At the project level, CCD will be involved as part of Technical Working Groups (TWG) in the project activities related to policy and regulation (Component 1.1), and the NbS consideration (Component 2.3) and disposal of end-of-life and early replaced electrical appliances and lighting products.	CCD	PSC meetings will be held twice a year.
Ministry of Finance (MOF)	MOF will be part of the PSC.	As a PSC member, MOF will provide strategic guidance and oversee the operational aspects of the project. MOF will be consulted on all aspects of project financing and economic incentives for EE during the project implementation phase; Component 1 is related to government procurement processes, and Component 2 Demonstrates improved energy efficiency in government buildings and government procurement.	MOF	PSC meetings will be held twice a year.
Ministry of Works, Infrastructure and Utilities (MoWIU)	MoWIU will be part of the Technical Working Group (TWG).	MoWIU will support all aspects related to compliance with the building code for all EE retrofits and implementation of Nature-based Solutions (NbS) under Component 1.	MoWIU	Ad-hoc TWG meetings as needed

Stakeholder Engagement Plan				
Stakeholder	**Purpose of Engagement**	**Mechanism/Process of Engagement**	**Responsible Entity**	**Frequency /Timing**
Marshall Energy Company (MEC)	During the implementation phase, MEC will be part of the TWGs on relevant technical aspects.	MEC will be consulted on EE aspects of the project activities under Components 1 and 2, particularly for technical aspects of retrofitting for appliances in the demonstration project, building audit guidelines, communication and awareness, and building performance monitoring and evaluation.	MEC	Ad-hoc TWG meetings as needed
Marshall Island Development Bank (MIDB)	MIDB will be part of the TWG members on financial aspects.	MIDB will be consulted to support capacity building to develop and deliver loan mechanisms for the private sector, particularly by sharing experiences and lessons learned from the Taiwan consumer EE and RE loan mechanisms (Component 1). MIDB will also contribute and support identifying the private entities with specific opportunities and articulated plans for increasing energy efficiency in their buildings. (Component 2)	MIDB	Ad-hoc TWG meetings as needed
Government agencies in Majuro Ebeye	Selected government buildings will participate as part of the project demonstration sites.	Representatives of local government agencies will be engaged in stakeholder consultant workshops to share their experiences and lessons learned on EE enforcement mechanisms, training capacity building, and awareness campaign developed by the project.	Local government agencies and selected demonstration sites	Multiple stakeholder consultation workshops and training courses will be organized during the project implementation.
International organizations				

Stakeholder Engagement Plan				
Stakeholder	**Purpose of Engagement**	**Mechanism/Process of Engagement**	**Responsible Entity**	**Frequency /Timing**
International Union for Conservation of Nature (IUCN)	IUCN is involved as the GEF project agency and the project Co-financier.	IUCN will supervise and coordinate with NEO to provide technical and operational oversight support throughout the project implementation phase. IUCN will also be involved as a PSC member. IUCN will share global experience from past and ongoing projects to ensure that relevant international best practices are considered and incorporated into project activities and outputs.	IUCN Oceania Regional Office (IUCN ORO)	Regular meetings with the National Project Director (NPD) and the Chief Technical Advisor (CTA), at least once per quarter. PSC meetings will be held twice a year.
World Bank (SEDEP)	World Bank (SEDEP) is involved as the Project Co-financier.	World Bank-(SEDEP) will be part of the PSC members and be part of TWG members of the MIBEE project on the relevant technical and financial aspects. The agencies will share global experiences from past and ongoing projects to ensure that the international best practices will consider and incorporate into project activities and outputs (Components 1 and 2).	The World Bank (SEDEP)	PSC meetings will be held twice a year. Periodic TWG meetings of TWG members with the PMU.
European Union (EU EDF 11)	European Union is involved as the Project Co-financier.	European Union will be part of the PSC members and be part of TWG members of the MIBEE project on the relevant technical and financial aspects. The agencies will share global experiences from past and ongoing projects to ensure that the international best practices will consider and incorporate into project activities and outputs (Components 1 and 2).	The EU EDF 11 Project	PSC meetings will be held twice a year. Periodic meeting (calls) of TWG members with the PMU.
Private Sector and Local Stakeholders				

Stakeholder Engagement Plan				
Stakeholder	**Purpose of Engagement**	**Mechanism/Process of Engagement**	**Responsible Entity**	**Frequency /Timing**
RMI Chamber of Commerce, and private sector entities	RMI Chamber of Commerce will be part of the TWGs.	RMI Chamber of Commerce and the private entit will be engaged for consultation in the stakeholder workshop to determine the interest and willingness of the private sector to participate in the project and assess their buildings for possible EE projects and savings.	RMI Chamber of Commerce and its private sector members	Ad-hoc stakeholder consultation meetings will be organized during the project implementation period.
Local consultants, and suppliers of EE appliances and building construction materials	Local consultants and suppliers will act as the technical partners to undertake activities under the project and participate in stakeholder consultation meetings/ workshops.	Local consultants and suppliers will be engaged through contractual arrangements with the PMU. They will be also consulted in stakeholder workshops to share their experiences and lessons learned from past and ongoing EE and RE projects development in RMI.	Local consultants and suppliers	Entire the project period
Local and regional financial institutions (FIs)	Local and regional FIs will be part of the TWGs.	Local and regional FIs will be engaged in the stakeholder consultation meetings to support for development and implementation of financial mechanisms (Component 1 and 2)	Local and regional FIs, and PMU	Ad-hoc stakeholder consultation meetings will be organized during the project implementation period.
Civil Society Organization				
Marshall Islands Council of Non-Governmental Organizations (MICNGOs)	MICNGOs will be part of the TWGs.	MICNGOs will be consulted on technical aspects of standards energy audit guidelines, building code reform and procedures, and Nature-based Solutions (NbS), including lessons learned from the previous/ongoing consumers EE and RE awareness campaigns.	MICNGOs	Ad-hoc TWG meetings as needed

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated,

and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

For the project implementation phase, the primary stakeholder of the MIBEE project is NEO, which is the main executing agency and will be responsible for project management and implementation of all project components to ensure meaningful consultations with all relevant stakeholders. Other relevant stakeholders will be engaged and consulted through involvement in the Project Steering Committee (PSC), Technical Working Groups (TWGs), stakeholder consultation meetings, and direct participation in execution of project activities.

Select what role civil society will play in the project:

Consulted only; Yes

Member of Advisory Body; Contractor; Yes

Co-financier;

Member of project steering committee or equivalent decision-making body; Yes

Executor or co-executor;

Other (Please explain)

3. Gender Equality and Women's Empowerment

Provide the gender analysis or equivalent socio-economic assesment.

RMI was ranked 117 out of 189 countries in 2019 on the UN's Human Development Index (HDI). RMI's 2019 HDI value of 0.704 is below the average of 0.753 for countries in the high human development group and below the average of 0.747 for East Asia and the Pacific. In 2015, the RMI Government adopted its National Gender Mainstreaming Policy. The Policy guides the development of laws, policies, procedures, and practices to address the needs, priorities, and aspirations of all women and men and to eliminate all forms of discrimination and inequality. In 2021, the RMI public service workforce was a total of 1,194 employees, and participation rate for females and male employees in the public sector was 44% and 56%, respectively.

Apart from gender policies, like most Pacific Island countries, women in RMI face economic disadvantages compared to men. The 2020 ADB "Marshall Islands Gender Equality Overview" presents women had lower rates of employment in the private and public sectors than men. Working men were more likely to work for higher wages or salaries than women; women's gross average earnings are 14% lower than men. The gender analysis explicitly addresses the gap in gender aspect in RMI. In the context

of the economic development of RMI, women's economic empowerment remains a key challenge as women continue to face limited job opportunities and remain underrepresented in management positions. Legislative mechanisms to protect workers' employment and labor rights have yet to be established. Although there is no legislative barrier to women in RMI accessing financial services such as loans and mortgages, discrimination of income level can obstruct women from obtaining credit, which impacts their economic independence, and equitable ability to engage in business.

Gender matters in the energy sector affect women and men differently. Key barriers to women?s direct employment in energy projects are a lack of technical and professional engineering skills, gender roles, and social norms that discourage their labor force participation. However, there are no potential adverse effects on women by the proposed MIBEE project activities.

The Gender analysis is described in detail in the Project Document, Section 6.2.

Gender Action Plan:

The proposed MIBEE project presents opportunities for the involvement of women in both the project management part and/or being a technical part of the project coordination and management structure. The project will provide an opportunity for women in the deployment roles involved in the project activities, and women and vulnerable groups will also be targeted as direct and indirect beneficiaries throughout the project implementation process.

Gender equality and women's empowerment contribution will be integrated into the project activities in three approaches, including:

- ? Ensuring balanced gender representation on project steering and advisory structures;
- ? Ensuring that women's businesses are included in all procurement opportunities; and
- ? Designing capacity-building and awareness campaigns to be gender inclusive and sensitive.

During implementation, the project will take a gender equality and women empowerment approach for the project implementation. The project aims to empower stakeholders - especially women and vulnerable groups - to contribute to project design and be more actionable in implementing project activities. Gender-related surveys and needs assessment findings will be incorporated into the project activities' detailed design to ensure proper records of gender-disaggregated data in the project implementation plan. Through the development and implementation of the policies and regulations under Component 1, the project will balance gender representation in project steering and advisory structures to promote gender and human rights-based approach to actors. The project plans to include women groups in capacity building and training, including awareness campaigns under Component 1 and 2 to increase EE knowledge and awareness of the importance of energy efficiency and NbS in buildings among women and vulnerable group members. The three gender approaches are mainstreamed into the monitoring, evaluation, and knowledge management plan supporting the project activities under Component 3. In terms of monitoring and evaluation, the project will track all expected outputs and outcomes with gender-disaggregated data for reporting purposes.

The Gender Engagement Plan is described in detail in the Project Document, Section 6.2.

Component/Activities	Gender Design Feature activities	Gender output indicator
Cross-component Component 3: Monitoring, evaluation, and knowledge management	Overall, women and vulnerable groups should be targeted as direct and indirect beneficiaries throughout the project implementation process. The project should develop a communication and knowledge management plan for overall project communication to include the gender-specific needs of women and vulnerable groups. From the gender perspective, the overall goal of gender equality and women?s empowerment will be contributed by the project activities in three approaches; these may include: ensuring balanced gender representation on project steering and advisory structures; ensuring that women?s businesses are included in all procurement opportunities, and; designing capacity building and awareness campaigns to be gender inclusive and sensitive. The three gender approaches are mainstreamed into the monitoring, evaluation, and knowledge management plan that will support the project?s components and activities under Component 3. In terms of monitoring and evaluation, the project should track all expected outputs and outcomes with **gender-disaggregated** data as much as possible for the reporting purpose.	Target: up to 30% of women and vulnerable people participation as the project?s total direct and indirect beneficiaries.
Component 1: Enabling activities and policy for energy efficient buildings in RMI	Through the development and implementation of the policies and regulations for energy efficiency by NEO and relevant government officials, the project will ensure a balance of gender representation in project steering and advisory structures to promote gender and human rights-based approach to actors.	Target: up to 30% of women and vulnerable people participation as the project steering committee and technical working group members.

Component/Activities	Gender Design Feature activities	Gender output indicator
Component 2: Government and public sector building energy efficiency improvement	One of the key concerns regarding gender for the project is a lack of awareness of improved energy efficiency and NbS in building among women and vulnerable group members who are directly and indirectly beneficiaries in RMI, in general. Under this component, the project plans to conduct a capacity needs assessment with a focus on women and vulnerable groups, and the assessment findings will be incorporated into the project activities design. The project plans to include women groups in capacity building and training, including awareness campaigns under Components 1 and 2 to increase EE knowledge and awareness, including: ? Technical capacity and knowledge training concerning improved energy efficiency in building and NbS application. ? Increased awareness, knowledge, and behaviour changes among women and vulnerable groups of the RMI government employees, relevant NGOs, and private business stakeholders; by demonstrating energy audits, installing energy-efficient appliances, and enabling technologies in the government buildings. ? increased public awareness of the importance of improved energy efficiency and NbS in building among women and vulnerable groups through disseminating project data and products and replicating in RMI and across pacific countries.	Target: up to 30% of percentage improvement in awareness and knowledge among women and vulnerable members based on gender-disaggregated data from different project partners and stakeholders (e.g., NEO and local official staffs, RMI banking and finance institutional, and NGOs).

Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?

Yes

Closing gender gaps in access to and control over natural resources;

Improving women's participation and decision making Yes

Generating socio-economic benefits or services or women Yes

Does the project?s results framework or logical framework include gender-sensitive indicators?

Yes

4. Private sector engagement

Elaborate on the private sector's engagement in the project, if any.

There will be several entry points for private sector engagement in the MIBEE project. The private sector will play multifaceted roles in the proposed project activities, including provision of policy and regulatory advisory support, technical consultation and services, implementation of specific project activities, and being the beneficiaries of the project activities.

Under Component 1, private sector engagement for policy and regulatory advisory will be primarily through stakeholder consultation via different Technical Working Groups (TWGs) meetings. Representatives from private sector/NGO organizations will be invited to collaborate with international and local experts and other relevant RMI government agencies. The private sector will be consulted during the development of the BEC and MEPSL programs undertaken by NEP and MoWIU. As for developing EE&C guidelines and energy audits, the private sector can act as both resources for energy auditors and local building energy experts, and be the beneficiaries of the project.

The private sector engagement is also involved in developing EE fiscal and financial policy mechanisms. The project will work with the banking sector and other potential EE product/service providers (such as large importers/retailers and electric distribution utilities) to develop financing policies and finance mechanisms to help businesses and homeowners purchase energy-efficient appliances. The project will build the capability of the banking sector, utility and technical service providers to support such financial mechanisms products. Interested financial institutes/local banks will also be the beneficiaries of the finance mechanisms developed by the RMI government with support from the project.

Under Component 2, Outcome 2.2, the private sector has essential roles in delivering outputs as they supply EE appliances/equipment for the pilot projects and provide services for retrofitting the pilot buildings per EE design measures developed by the project. In Outcome 2.2, government offices will demonstrate the procuring and installation of energy-efficient appliances, and this will be done through private sector contracts and contractors. In addition, the project will use the opportunity to build capacity among these private sector entities (including women and NGO groups in RMI) that only sometimes get a chance to engage with energy efficiency.

The EE awareness campaigns will target private sector businesses and households to generate greater interest in converting energy efficiency and capacity to make decisions based on sound cost-benefit analyses. Component 2 Outcome 2.5 also includes the involvement of private sector entities in developing building energy efficiency plans and implementing EE investment projects to replicate and expand the lessons learned from the government buildings. The private sector partners will be promoted as the building EE champions in RMI and other countries in the Pacific. The EE awareness campaign and the web-based building EE portal developed by the project under Component 1 will be served as a communication platform to share the project knowledge and demonstrate the success case among stakeholders in RMI and the Pacific.

5. Risks to Achieving Project Objectives

Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):

There were no significant changes in the risks identified in the PIF. During the PPG exercise, the project anticipated additional operational risks and proposes mitigation measures and management response as detailed in the Project Document, Section 4.5. The risk analysis is identified using the GEF STAP guidance on climate risk screening and the IUCN Environmental and Social Management System (ESMS) guidance (2020). The risk analysis is identified in two forms of potential aspects ? risk to the project implementation and risks that could entail adverse environmental or social outcomes. The possible project implementation risks associated social and environmental risks, and mitigation measures are summarized in Table 5 in the Project Document, Section 4.5. The project is subject to possible risks that can be managed and mitigated to ensure successful project implementation. The overall risk rating of the project is unchanged and identified as a low risk.

Risk Description	Likelihood	Impact	Level of Risk	Mitigation measure(s)	By Whom / When
1. Risk to Project implementation					
Political/Institutional Risks ? Changes in management of main project partners and priority of the RMI government	Not expected to occur	Minor	Low	The project will conduct direct consultation with key project partners to secure commitments and strengthen institutional coordination.	NEO and IUCN/ Throughout the project period
Commitment Risks ? Recommended EE policies/regulations are approved but enforcement is delayed by responsible agencies	Likely-could occur	Medium	Moderate	Detailed consultations will be conducted with various government and private sector partners during the inception phase to build support for the project to secure commitments in policy and regulatory implementation and to build recognition of the project among the Tile Til Eo working groups and steering committee.	NEO and CCD/ During the project inception phase and steering committee meetings throughout the project period.

Operational risks ? EE procurement and EE&C guidelines for government building not recognized and implemented by government staff	Not expected to occur	Medium	Moderate	Management staff in different government agencies will be informed of EE plan and activities to be implemented under the MIBEE project. EE&C incentive, awareness, and educational activities targeting at government staff will be implemented to stimulate participation by government staff.	PMU and NEO / Throughout the project period.
Operational risks ? Delay in pilot project implementation in government and private sector buildings	Not expected to occur	Medium	Moderate	Pilot buildings will be selected during the implementation phase and willingness to participate in the MIBEE project will be assessed for suitability based on interest, technical capacity, and structural capacity. In case these pilot buildings become unavailable during the project implementation, new buildings will be selected from the buildings that are included in the energy audit activity.	PMU/ During the design and implementation of pilot demonstration projects
Operational risks ? Limited choices of high-efficiency Energy Star appliances in RMI. Post-COVID-19 supplies of appliances and inflation may impact the number of appliance units that can be sourced and imported.	Likely-could occur	Minor	Moderate	The scope of EE retrofits will be finalized during the detailed design phase of each pilot project. Bundling of multiple pilot projects and bulk purchasing will be considered to reduce unit and shipping costs of EE measures.	PMU/ During the design and implementation of pilot demonstration projects

Operational risks ? Poor installation and maintenance of EE measures	Not expected to occur	Minor	Low	There is a risk that EE equipment and systems are poorly installed or not well maintained. This will be mitigated by clearly specifying the requirements of technically sound installation in the contractors? contracts, and oversight of all contractors? works through the PMU. The technically sound installation will follow manufacturers? guidelines. Maintenance contracts will be developed as part of the standard procedures and following government procurement processes. In addition, the project will mobilize technical expertise from international and national experts and relevant TWGs to mitigate the risk.	PMU/ During the design and implementation of pilot demonstration projects
Capacity/Technical risks ? Private sector and suppliers are not interested to participate in project activities.	Likely-could occur	Medium	Moderate	Continuous awareness campaigns and consultation through business associations will be utilized to stimulate interests from private sector participants. In addition, successful showcases implemented in government will be utilized in the awareness and educational activities for private sector building managers/owners and technology suppliers.	PMU/ During the design and implementation of pilot demonstration projects

Capacity/Technical Risk ? Energy saving and associated climate benefits delivered EE in government building decline over time due to the rebound effect	Not expected to occur	Minor	Low	The rebound effect in the pilot demonstration projects will be mitigated through the proposed awareness campaign activities of positive incentives with an award for buildings implemented successfully. The EE procurement guideline and EE&C guideline for government buildings under Component 1 will help to sustain the energy savings impacts. The proposed M&V scheme will be used to confirm the rebound effect and modify the awareness activities to ensure their effectiveness accordingly.	PMU/ During the design and implementation of pilot demonstration projects
Financial Risk ? More stringent loan evaluation criteria adopted by local banks and financial institutions leading to limited of access to affordable financing for potential private sector.	Likely-could occur	Medium	Moderate	The project will facilitate and mobilize the EE fiscal and financial policy mechanisms developed under Output 1.1.3 to support the private sector buildings to access to affordable financing packages from banks, to implement the EE project investment under activity 2.5.1.3.	IUCN and NEO/ During the design and implementation throughout the project period.
2. Social and Environmental Risk					

Environmental risk ? Disposal of end-of-life EE waste and construction wastes from the pilot projects are not properly managed creating negative environment, climate, and social impact.	Not expected to occur	Medium	Moderate	CCD will be involved in the Project Steering Committee (PSC) and part of the Technical Working Groups (TWG) in the project activities. At the strategic level, CCD will provide strategic guidance and oversee the operational aspects related to EE waste handling of the project and related to policy and regulation of waste disposal of end-of-life and early replaced electrical appliances and lighting products. Under the project ESS, a waste disposal plan will be developed during the implementation phase. This will follow all RMI regulations and additional action needed to ensure that waste is properly managed and that all hazardous waste gasses are appropriately and safely captured and disposed of.	CCD and NEO/ PMU will manage waste disposal plan throughout the project period.
Environmental/Climate Change ? Physical risk from climate change impact that could affect to interruption of logistics and transportation, prevent worker and/or imports goods into RMI (e.g., floods, storm surge, typhoon, etc.	Not expected to occur	Medium	Moderate	NEO and PMU will identify the critical environmental-climate risk for each retrofit building construction of pilot demonstration sites. The climate risks mitigation measures will be designed and planned to reduce the risk.	PMU/ Throughout the project period.

Project Implementation risk due to COVID-19 ? New variants of COVID-19 restricting stakeholders from participating in stakeholder workshops, preventing workers from working at sites and delay in pilot demonstration plan.	Not expected to occur	Medium	Moderate	As of August 2021, RMI has achieved more than 80% full vaccination rates on Majuro and Ebeye. RMI has not experienced any community transmission of COVID-19 and there have been no restrictions on meetings within RMI Consultations and meetings. If another outbreak happens, the project implementation will follow all RMI government guideline and may utilize virtual stakeholder meeting considerations if necessary. The potential mitigation measures would include proper hygiene and social distancing standards during working hours, health safety policies at worker dormitories, and provision of access to personal protective equipment.	PMU/ Throughout the project period.

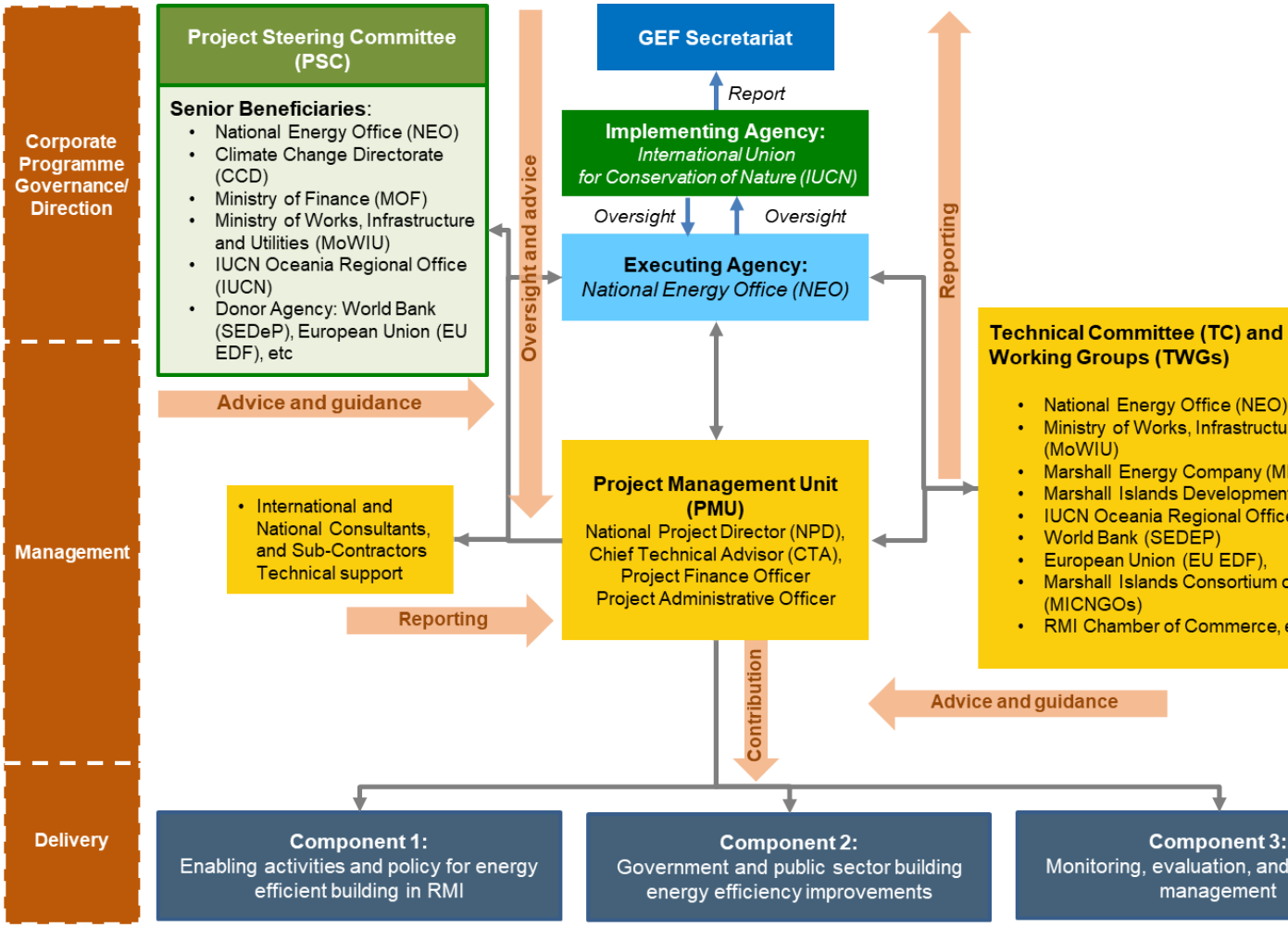
6. Institutional Arrangement and Coordination

Describe the institutional arrangement for project implementation. Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.

For the project implementation at the national level, NEO will be the main national executing agency, and other relevant agencies in the country will give their support to the project through the project steering committee (PSC) and technical working groups (TWGs). The PSC will be established to provide the strategic program direction to the PMU and approve the work plan and budget to ensure the quality and timely delivery of the project outputs. The PSC members shall be a high-level government officials nominated by key project partners, and the inter-ministerial dialogue through the PSC meetings will result in high-level government acceptance of the outcomes of the project activities and hence support to assure a step towards sustainability. TWGs will be established to work on specific technical matters to facilitate the implementation of the project components. The existing TWGs in RMI can be utilized, but the PMU can also form sub-TWGs as needed. Both the PMU and the PSC will implement mechanisms to ensure ongoing stakeholder participation and

effectiveness with the commencement of the Project. In addition, the project will ensure a balance of gender representation in the PSC and TWG structures and promoting gender and human rights-based approach. The PMU will be hosted within the NEO office in Majuro to manage the day-to-day operation of the project.

Project management will be ensured through the establishment of the following project team as follows.



The institutional arrangement and coordination are described in detail in the Project Document, Section 5.3. Indicative Terms of Reference (TOR) for project personnel, consultants and sub-contractors are described in detailed in the Project Document, Appendix F.

7. Consistency with National Priorities

Describe the consistency of the project with national strategies and plans or reports and assesments under relevant conventions from below:

NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.

The proposed project is consistent with the RMI's Second National Communications to the UNFCCC, particularly in specific actions and policies related to GHG emission reduction in the energy sector which is the largest contributor to the RMI's GHG emissions. The project helps facilitate the realization of expected electricity energy savings from the building sector. In this regard, the proposed project is fully consistent with RMI?s national strategies and will contribute to the achievement of the national energy saving and climate change mitigation targets. The proposed project will also support the achievement of goals stated in the RMI's National Climate Change Policy Framework and Climate Strategy, which aim to transit the economy and society to be more resilient and can adapt to the inevitable impact of climate change. Moreover, the RMI's 2018 electricity has set a strategic framework for the RMI electricity sector to encourage low carbon development, raise energy efficiency, and market-oriented reforms to RE. The proposed project activities are fully aligned with EE&C measures highlighted in the Electricity Roadmap. The project will also ensure equal employment opportunities by developing a gender plan the project to fulfill the RMI's Gender Mainstreaming Policy.

In summary, the project is in accord with the following government-issued policies, laws, and programs priorities and plans:

? **National Determination Contribution (NDC)** - RMI intends to reduce its GHG emissions below the baseline level in 2010 by 32% by 2025 and at least 45% by 2030. The 2018 NDC also provides additional targets beyond 2030 with an indicative target of at least 58% emission reduction by 2035 and with an aspirational target of achieving net-zero emissions by 2050. The energy sector is the largest contributor to the RMI?s GHG emission, and the proposed project aims to reduce GHG emission in RMI through implementation of EE and RE (specifically solar PV) in the building sector in RMI

? **National Climate Change Policy Framework (NCCPF)** - NCCPF sets out the Government of RMI?s commitments and responsibilities to address climate change and aims to foster and guide a national plan of action to address current and short-, medium- and long-term effects of climate change, ensuring to the greatest possible extent that the quality of life of the people of the Marshall Islands and opportunities for sustainable development.

? **?Tile Til Eo?? 2050 Climate Strategy** - adopted in 2018, sets out a framework for progressing towards net zero GHG emission by 2050, as well as transitioning to an economy and society that is resilient and can adapt to the inevitable impact of climate change. Energy efficiency measures highlighted in the 2050 Climate Strategy include: Pursuing demand-side EE upgrades, Upgrading the electricity grid to reduce system losses, Improving the building energy code and its enforcement, Promoting EE appliances and equipment (air-conditioners, lighting products, electric motors, etc.) The proposed project aims at promoting EE in the building sector in RMI and will directly address development and implementation

issues related to the building energy code and EE appliance and equipment used in commercial and residential buildings in RMI.

? **National Energy Policy and Energy Action Plan (NEPEAP)** - NEPEAP was established and published in 2016 to guide the planning, communicating, financing, and advancing of the energy sector in RMI through a 'whole of sector' energy development approach. NEPEAP lays out the strategies and activities in six thematic or key result areas of energy policy administration and coordination, petroleum, electric power, energy efficiency and conservation (EE&C), transport energy use, and RE. For the EE&C strategy, NEAEAP describes the five key actions as follows: (1) Effective implementation of sustainable RE and EE measures; (2) Effective implementation of the SIDS-Energy Efficiency Loan Schemes; (3) Revised taxation system to encourage the import of EE air conditioners/major household appliances and introduce mandatory standards and labeling system; (4) EE standards for new buildings and renovations including homes, businesses and government premises, with financing on subsidized terms for designs and construction/renovation meeting the standards; and (5) Energy audits on government facilities, business communities and households and implementation of recommended energy efficient measures. The proposed MIBEE project outcomes, outputs and activities are in line with the NEAEAP- EE&C strategy.

? **2018 Electricity Roadmap** - The Electricity Roadmap provides a strategic framework for the RMI electricity sector to enable the RMI Government to meet the climate change target and strengthen the country?s role in the climate change. The roadmap included a set of required measures: (a) increasing the service reliability power system; (b) encouraging EE&C through minimum energy performance standards (MEPS) and EE labelling, ban on incandescent light bulbs and adoption of EE building codes, etc.; and (c) enhancing the uptake of RE sources to achieve the country?s ambitious climate change targets for 2025 and 2030, and to become a 100% RE by 2050. The proposed project activities are fully aligned with EE&C measures highlighted in the Roadmap

? **National Gender Mainstreaming Policy** - adopted in 2015, the RMI?s National Gender Mainstreaming Policy guides the development of laws, policies, procedures, and practices to address all women's and men's needs, priorities, and aspirations, to eliminate all forms of discrimination and inequality. The policy aims to "progress(ing) gender equality and the empowerment of women in the RMI with the meaningful involvement and contributions of all development sectors and civil society, and women and men from all spheres, and at all levels of development and decision-making." To support an enabling environment for equitable participation in and benefit from economic development, the MIBEE project design and implementation will identify and mitigate barriers that women may face in participating in the project decision-making and implementation. The project will also support ensuring equal employment opportunities by developing a gender plan the project to fulfil the gender equality principles of RMI and IUCN.

The project?s consistency with national priorities and plans is described in detail in the Project Document, Section 4.6.

8. Knowledge Management

Elaborate the "Knowledge Management Approach" for the project, including a budget, key deliverables and a timeline, and explain how it will contribute to the project's overall impact.

The MIBEE project will create knowledge through development of building energy code (BEC), minimum energy performance standard and labelling (MEPSL), EE procurement guidelines, EE&C guidelines, tools and materials for capacity building and training, pilot project case studies, etc. Under Output 1.2.1, the project will develop a web-based building EE portal to serve as the main communication and outreach for project activities and outputs. This will allow for better information sharing between different government and private sector entities in the country. The web-based building EE portal will also act as the main repository of project outputs and complement the on-going monitoring and evaluation of the project progress and effectiveness.

Capacity of government and private sector personnel will be enhanced through training and capacity building activities under Outcome 2.4. To ensure long-term sustainability, a Training-of-Trainers (ToT) program will be implemented for national experts and research/academic institutions to support building EE related issues. The project will collaborate with the PSC and relevant TWGs to embed the training modules and programs developed by the project in the existing training systems managed by the government and private sector organizations in RMI.

The project will mainstream gender consideration in the design and development process of the above-mentioned knowledge outputs, so that the contents and final products are gender-sensitive. The table below outlines proposed knowledge outputs to be produced and shared with stakeholders.

Project Output	Knowledge Outputs
Component 1: Enabling activities and policy for energy efficient buildings in RMI	
Output 1.1.1 Energy efficiency and conservation measures addressed through government process and regulation	Building energy code; MEPSL program design document; EE procurement guidelines; EE&C guidelines for government buildings;
Output 1.1.2 Energy efficiency enforcement mechanisms developed and implemented	Implementation guidelines for BEC and MEPSL; BEC-compliant building database; MEPSL registration system

Project Output	Knowledge Outputs
Output 1.1.3 Energy efficiency fiscal and financial policy mechanisms developed	Design documents for EE fiscal policies and financial mechanisms;
Output 1.2.1 Increased awareness of energy efficiency importance and options among businesses and households in Majuro and Ebeye	EE awareness campaigns design document; A web-based building EE portal
Component 2: Government and public sector building energy efficiency improvements	
Output 2.1.1 Energy efficiency guidelines and data updated and available for decision making	Building energy audit guidelines and procedures;
Output 2.2.1 Reduced energy use in government buildings	Energy audit reports; EE implementation reports for selected key government buildings
Output 2.3.1 Reduced energy use in government buildings from NbS	Nature-base-Solution guidelines for EE landscaping; NbS implementation reports;
Output 2.4.1 Increased capacity of government staff and other stakeholders to plan and implement energy efficiency projects	Capacity building and training needs assessment report Capacity building and training programs implementation reports with M&E results
Output 2.5.1 Private sector pilot building energy efficiency projects implemented	EE implementation reports for selected private sector buildings
Component 3: Monitoring, evaluation, and knowledge management	
Output 3.1.2 Knowledge products secured and available to partners and stakeholders	Evaluation report of accessibility and utilization of knowledge products in the web-based building EE portal

9. Monitoring and Evaluation

Describe the budgeted M and E plan

Monitoring and Evaluation (M&E) is consistent with the GEF Monitoring and Evaluation policy. The project M&E plan will comply with the GEF procedures/guidelines and include a series of linked activities of an Inception Workshop and Report, Project quarterly progress report, Project Implementation Reviews (PIR), Annual Project Reports, and Mid-term and Terminal project evaluations (MTE/TE). M&E activities and related costs are presented in the M&E Budget and Work plan are fully integrated into the overall project budget.

The following table summarizes the budget for the various M&E activities that will be carried out to manage and gauge the effectiveness of the project implementation. The total budget for monitoring and evaluating the project is estimated at USD30,000. The detailed of the monitoring and evaluation plan are described in the Project Document, Section 7, and the M&B budget in attached Microsoft Excel File, in Annex B ? M&E Plan.

M&E activity	Frequency	Responsible	Budget (GEF funded)
1. Inception Workshop meeting	Once during MIBEE lunching phase	Execution by: CTA. Support by: NEO and other stakeholders	GEF: Included as part of component 1 for Inception workshop and meetings
2. Project Steering Committee Meeting	At least 1 meeting per year	Execution by: CTA Support: PMU and Co-financing partner and relevant stakeholder	GEF: Included as part of component 1 workshop and meetings
3. Half-yearly progress report	Half year/	Execution by: CTA Support: PMU	GEF: Included as part of project component 3 of CTA cost
4. Quarterly expenditure reports	Quarterly	Execution by: CTA and financial officer Support: PMU	GEF: Included as part of project component 3 of CTA cost
5. Project Implementation Review (PIR)	Annually	Execution by: CTA and TM Support: PMU	GEF: Included as part of Component 3 for workshop and meetings

6. Annual Inventory of Non-expendable equipment	Annually	Execution by: CTA Support: PMU	GEF: Included as part of component 3of CTA cost.
7. Co-financing Report	Annually	Execution by: CTA Support: Co-financing partner	GEF: Included as part of project components 3 of CTA cost
8. Mid-Term Evaluation (MTE)/Mid-Term Review (MTR)	At the mid-point of project implementation	Execution by: Implementing agency to hire Independent Evaluator / TM Support: CTA, PMU	GEF: USD 15,000 as part of Monitoring and Evaluation-MTE/MTR
9. Final Report	Annually	Execution by: CTA Support: PMU	Included as part of component 3 of CTA cost
10. Terminal Evaluation (TE)	At the end of project implementation	Execution by: Implementing agency to hire Independent Evaluator / TM Support: CTA, PMU	GEF: USD 15,000 as part of Monitoring and Evaluation-Terminal Evaluation
Total (USD)			**30,000**

10. Benefits

Describe the socioeconomic benefits to be delivered by the project at the national and local levels, as appropriate. How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?

At the national level, growing energy consumption in the public and private buildings is an increasing concern. High costs of electricity and fuel price fluctuations are the major threats to the economy and remain an obstacle to improving living standards and business profitability in RMI. Hence, there is a need to make new and existing public and private buildings more energy efficient. The anticipated socioeconomic benefits from the MIBEE project will be derived from removal of barriers that hamper the widespread application of building energy efficiency in RMI.

Energy-efficient appliances/equipment, EE&C measures, and NbS adoption in the building environment are cost-effective solutions for improving the energy performance of buildings. Enabling financial mechanisms

and better access to high-quality energy-efficient appliances/equipment for the private sector will improve quality of life and business profitability. Energy-efficient buildings will enhance living comfort and environment, and provide long-term energy cost reduction to government, personal businesses, and households, which helps lessen electricity energy expenditure and, thus, better financial conditions. The national benefit would be lower energy costs for the national and local governments allowing for extra flexibility in preparing annual operating budgets, and such cost savings in the government budget and expenditure system can be used in other areas that can improve public service deliveries (e.g., education and healthcare). In addition, reducing electricity consumption contributes to lower energy and power demand from grid power plants, reducing diesel fuel consumption and reducing air pollution; this leads to improvements in health for the entire RMI population and global GHG emission benefits.

The successful implementation of the proposed GEF project is expected to bring the indirect socio-economic benefit in enhancement of the development of small and medium-sized enterprises within the building industry supply chain in RMI. Other indirect socio-economic benefits include improved employment level through the which capacity building and training program will enhance capacities and skills of people, specifically women, employed in the building sector. The project also aims to put in dedicated efforts to strengthen and encourage gender-equality participation from women and men in the technical design and implementation of EE retrofitting and energy auditing through capacity development training. Gender considerations will be equally pronounced in key decision-making processes during project implementation.

11. Environmental and Social Safeguard (ESS) Risks

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

Overall Project/Program Risk Classification*

PIF	CEO Endorsement/Approval	MTR	TE
Low	Low		

Measures to address identified risks and impacts

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

The project aims to improve energy efficiency (EE) in the building sector in the Republic of Marshall Islands (RMI). It focuses on the two islands Majuro and Ebeye. The intervention will strengthen the

enabling environment and policy framework for energy efficient buildings, improve awareness, and foster concrete improvements in Government, public sector building as well as private sector. The latter is done through pilot projects demonstrating technology and practices as well as nature-based solutions for energy efficiency and through capacity building. Within the private sector the project will focus on the commercial sector which includes, e.g., shopping centres, hotels, supermarkets, but also fishing and cold storage buildings. The actual selection of priority buildings targeted by the pilot interventions will occur during the project based on building types listed in Table 1 and guided by walk-through and detailed energy audits. While the project impacts from the development of the MEPSL program could also be used to promote EE appliances across the residential sector, it is important to understand that no project funding is going into pilot EE activities for the residential sector.

Social and in particular environmental impacts of the project are overall considered highly positive. A few minor impacts have been identified in section B of the questionnaire related to labour and working conditions (occupational health and safety) and the possibility of generating significant amounts of electronic and construction waste. But these impacts are considered to be readily addresses with existing mitigation measures as described in chapter 4.12 of the project document. Hence, evaluating these impacts in combination with expected likelihood resulted into an assessment of the project as a low risk project.

Supporting Documents

Upload available ESS supporting documents.

Title	Module	Submitted
GEF ID 10859 Annex E ESMS screening and clearance_MIBEE	**CEO Endorsement ESS**	
esms preliminary screening_template MAIGEE GEF7 13092021	**Project PIF ESS**	

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 Objective/ Outcomes	Indicators	Baseline	End of Project Target (s)	Source of verification	Assumptions / Risks
Overall Project Objective: To improve energy efficiency in the building sector in Marshall Islands to reduce greenhouse gas emissions and help achieve the net zero emission target.	Indicator A: Cumulative energy saving and GHG emission reductions in the government and private buildings sector. Indicator B: % reduction in electricity energy use in the pilot demonstration sites (MWh saving/year/entity)	Baseline A: Cumulative direct energy saving in building sector: 0 MWh Cumulative direct GHG emission reduction in building sector: 0 tCO_2 Baseline B: 0% of electricity consumption reduction from EE&C implementation in government building sectors in RMI.	End-of -project target A: Cumulative direct energy saving in building sector: 46,054 MWh Cumulative direct GHG emission reduction in building sector: 131,037 tCO_2 Target B: 10% of electricity saving per entity per year compared to the base year (2022), for four pilot demonstration sites	- Official government journals, publications, documents and news bulletins issued by NEO, EPPSO and other relevant government agencies - Project mid-term and terminal evaluation reports - Project Activities reports	Assumption: - Commitment of the government on EE and efficient collaboration of all the relevant ministries and national agencies to carry out the project activities remain unchanged. Risks: - Limited government budget for EE implement - Delayed implementation of project activities - Low participation from relevant government and private sector stakeholders

Outcome 1.1: Policies and regulations for energy efficiency are in-place and enforced by relevant government officials	Indicator 1.1.1: Number of policies and regulations for building energy efficiency approved by the RMI government to support EE&C measures in building sectors.	Baseline 1.1.1: 0 (no policies and regulations for EE&C measures in building sectors).	End-of-project target 1.1.1: 4 (Number of policies and regulations for EE&C in building sectors, approved by the RMI government).	- Official government publications, documents, and news bulletins issued by NEO, and relevant government agencies - Regulatory documents - Agreement documents	Risk: - Policies might be recommended and reconciled but not implemented
	Indicator 1.1.2: Number of EE enforcement mechanisms were developed and implemented for the building sector.	Baseline 1.1.2: 0 (no EE enforcement mechanisms and guideline tools developed for EE implementation in government buildings).	End-of-project target 1.1.2: 2 (Number of EE guideline and operating manual, and tools for implementing EE in building sectors; BEC and MEPSL).	- Official government publications, documents and news bulletins issued by NEO, and other relevant government agencies - Regulatory documents - Agreement documents	Risk: - Standards and frameworks of EE enforcement might be recommended and reconciled but not implemented;
	Indicator 1.1.3: Number of EE fiscal and financial policy mechanisms for building sector developed and approved by the RMI Government.	Baseline 1.1.3: 0 (no fiscal and financial policy mechanisms developed and approved by RMI Government to promote EE.	End-of-project target 1.1.3: 1 (No. of EE fiscal policies and financial mechanisms developed and approved.		'Risks: - Framework of fiscal incentive and financial mechanisms might be recommended and reconciled but not implemented.

Outcome 1.2: Increased awareness of importance of energy efficiency in Majuro and Ebeye	Indicator 1.2.1: a) Cumulative number of direct beneficiaries participated in the EE & NbS awareness and communication program b) Number of EE awareness campaign and communication tools developed.	Baseline 1.2.1: a) 0 (No. of direct beneficiaries participated in the EE & NbS awareness and communication program) b) 0 (No. of EE awareness campaigns to promote EE in building sector in RMI).	End-of-project target 1.2.1: a) 100 (No. of direct beneficiaries participated in the EE & NbS awareness and communication program) b) 5 (No. of EE awareness campaigns implemented	- Project documents - Project Annual Report - Official government publications, documents and news bulletins issued by NEO, and other relevant government agencies	Risk: - Low participation from the local stakeholders (government staffs, private building, and local NGOs and relevant stakeholders)
Outcome 2.1 Building performance and monitoring and evaluation system established and strengthened	Indicator 2.1.1: Number of building energy audit report conducted	Baseline 2.1.1: 0 (Number of building energy audit conducted by the MIBEE project	End-of-project target 2.1.1: 25 (Nunber of energy audit reports conducted; consist of walk-through audit in 17 buildings and detailed energy audits in 8 buildings)	- Project documents - Project Annual Report - Official government publications, documents and news bulletins issued by NEO	Risk: - Building energy audit guideline and procedure developed, including performance and M&V standards and frameworks of EE measure might be reconciled but not implemented;
Outcome 2.2 Energy efficiency of government building improved through demonstration of technology and practices	Indicator 2.2.1: Number of the government building improved energy efficiency through EE&C measures.	Baseline 2.2.1: 0 (no government building in RMI with improved energy efficiency through EE&C measures)	End-of-target 2.2.1: 4 (number of selected government building in RMI with improved energy efficiency through EE&C measures)	- Project documents - Project Annual Report - Official government publications, documents and news bulletins	Risk: - Delay in pilot implementation due to climate change impact (e.g., storm surge, typhoon, etc.)

Outcome 2.3 Nature-based Solutions for energy efficiency in government buildings demonstrated.	Indicator 2.3.1: Number of the government building adopted and implemented NbS for EE guidelines	Baseline 2.3.1: 0 (no NbS for EE guidelines developed and implemented in the government building in RMI)	End-of-project target 2.3.1: 4 (number of selected government buildings adopted and demonstrations of NbS for EE improvement in buildings)	issued by NEO	- EE project planning and EE investment might be recommended and reconciled but not implemented due to limited financing access for private sector.
Outcome 2.4 Increased capacity for energy efficiency	Indicator 2.4.1: Number of workshop/ EE training courses organized for the government staff and private sector building personnel	Baseline 2.4.1.: 0 (number of EE training courses organized by MIBEE project for government staff and private sector building personnel).	End-of-project target 2.4.1: 8 (total number of EE training courses organized by MIBEE for government staff and private sector building personnel; 2 times per year)..	- Project documents - Project Annual Report - Official government publications, documents and news bulletins issued by NEO	
Outcome 2.5 Selected private sector entities have specific and articulated plans for increasing energy efficiency in their buildings	Indicator 2.5.1: Number of private sector buildings planned and implemented for increasing energy efficiency in their building	Baseline 2.5.1.: 0 (number of private sector buildings with improved energy efficiency through EE&C measures as part of the technical assistance program under Output 2.5.1)	End-point target 2.5.1: 2 (number of private sector buildings with improved energy efficiency through EE&C measures)	- Project documents - Project Annual Report	

Outcome 3.1: Project knowledge available to stakeholders and partners in RMI and the Pacific	Indicator 3.1: a) Number of cumulative user visits on the web-based portal	Baseline 3.1 (a): 0	End-point target 3.1 a) At least 500 users visiting the web-based portal with 30% representing women and vulnerable group	- Project documents - Project Annual Report - Official government publications, documents	Risks: - Low internet access to the EE web-based portal from the women and vulnerable group.
	Indicator 3.1: b) Number of digital knowledge products distributed to partners in RMI and the Pacific (both on-line and Off-line)	Baseline 3.1 (b): 0	b) At least 500 copies of knowledge products distributed.		

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

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
STAP?s review and assessment		
1	**Overall Project objective and Information** Major changes in energy infrastructure are not envisaged in this project. It may be worthwhile to see what efficiency may be obtained in areas to prevent the use of diesel generators., especially since a significant portion of the PIF was dedicated to power production and supply in the Island. It is strange to note form the PIF that there are still projects investing in diesel generators on the Island. Maybe the policy aspects of this project can help address.	**Response:** The MIBEE project aims at improving demand-side energy efficiency, specifically in the building sector, in RMI, which directly contributes to reduction of electrical energy use and integration of rooftop solar PV systems in Majuro and Ebeye and hence less diesel power generation. Note that improvement of the supply side efficiency will be undertaken through the World Bank funded Sustainable Energy Development Project, which is subsumed as baseline activities under the MIBEE project.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
2	**Theory of Change** The theory of change diagram is too simplistic and does not follow the guideline suggested by STAP. There needs to be a revision that notes outputs, outcomes, impacts and a higher level of details in the steps. The revised theory of change should also present the underlying assumptions on which the pathway to the expected outcomes and impacts demands.	**Response:** The theory of change (TOC) diagram was revised in accordance with the GEF STAP guidance. The revised TOC presents the underlying assumptions, expected outcomes and impacts.
4	**Project Justification** The current PIF is vague on how continue finance for energy efficiency measures beyond the funds available through this project will be maintained. Component 1 states that finances issues would be address by mandating the use of energy-efficiency appliances and a need to finance them. But mandates alone are not sufficient to achieve the change that will promote continuity and scale-up. We encourage the project proponent to review appropriate options, including business models and behavioral interventions that can help promote building energy efficiency.	**Response:** In addition to mandating the use of energy-efficient appliances, project activities under Output 1.1.3 was strengthened through engagement of MoF and the banking sector in RMI to review and design possible options for fiscal and financial mechanisms in RMI and to support the role of EE in RMI?s climate change strategy and economy. The selected financial mechanisms will be adopted and operationalized by local financial institutions to support EE investments by the private sector (businesses and households) in RMI. The project will also develop a capacity-building program for relevant government agencies and local financial institutions to implement the chosen EE fiscal policies and financial mechanisms to support the private sector under Output 2.5.1. The financial and economic sustainability and potential for scaling up EE investments in the private sector are presented in Sections 4.9 and 4.10 of the Project Document.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
	Climate Change Projection and impacts information: Beneficial climate change projection and impacts information were presented in Section 1a of the PIF, but the IUCN ESMS screening document provided is not as specific concerning climate risk to the project as STAP guidelines have indicated in the past. Climate change will influence energy use, building efficiency and can impact how nature-based solution will be designed, especially in an island country. We encourage the project proponent to conduct a detailed climate risk screening and develop management options during the PPG stage	**Response:** Climate change risk assessment is presented in Appendix E-ESMS Screening of the Project Document. Climate change impacts on the project and mitigation measured are presented in Section 4.5 risk analysis and risk management measures of the Project Document.
	Gender Equality and Women?s Empowerment. Please briefly include how any gender dimensions relevant to the project, and any plans to address gender in project design (e.g., gender analysis)	**Response:** The gender analysis and gender engagement plan are described in detail in Section 6.2 of the Project Document.
	Risk Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design.	**Response:** Risk analysis and management measures based on the IUCN risk management document which is in accordance with the formal GEF/STAP climate risk screening are presented in Section 4.5 and Appendix E-ESMS Screening of the Project Document.
GEFSEC?s review and assessment		

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
1	**Part I: Project Information** Project Description Summary-Outputs: There are as series of outputs listed along with each outcome but these need to be incorporated into the theory of change. Please further improve ToC on the document during the PPG phase. We would like to see further consideration on integrated renewable energy and energy efficiency in building.	**Response:** Output statements are revised for better clarity and incorporated in the revised TOC. Integration of renewable energy and energy efficiency in buildings will be part of the development and enforcement of the building energy code (BEC) under Component 1 and EE investments in government and private sector buildings under Component 2.
2	**Part II: Project Justification** The global environmental/adaptation problems, including the root causes and barrier that need to be addressed Please add description on energy efficiency on barrier	**Response:** All the environmental problems, including root causes and barriers, related to the energy efficiency aspect of RMI have been addressed, and details of threats, roots causes, and barrier analysis are described in Section 3.3 of the Project Document.
3	**The Proposed alternative scenario describes the expected outcomes and components of the project.** Component 1 is about enabling activities and policy for energy efficient building in RMI. Please strengthen the entire outputs including non-government buildings. Please further develop financial mechanisms/models that cover private sector buildings.	**Response:** The scope of Component 1 is expanded to include the private sector. The enabling policies and regulations developed by the project include the Building Energy Code (BEC) and the Minimum Energy Performance Standards and Labelling (MEPSL) program. These regulatory mechanisms will cover all government and private sector buildings in RMI. Component 1 will also develop EE procurement and EE&C implementation guidelines for government and private sector buildings.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
	Output 1.1.3 aims to increase awareness and capacity of banking sector. This should be further strengthened to ensure adequate finance provision to energy efficient buildings and house, addressing existing barriers on such concessional financing and schemes. Please clarify what additional financial measures will be required to support financing to energy efficient buildings including appliances. Please also explain ESCO or other financial models were considered in the project preparation.	**Response:** Output 1.1.3 was strengthened and the scope now goes beyond awareness and capacity building for the banking sector. Possible EE fiscal and financial policy mechanisms will be designed and developed under Output 1.1.3 and utilized to support the private sector EE investments under Output 2.5.1. The project will work with MoF, the banking sector, and other potential EE product/service providers (such as large importers/retailers and electric distribution utilities). Potential financing options would include: - Tax benefits for purchasing EE equipment/appliances; - Risk sharing/credit guarantee facility; and - On-bill financing (OBF)/ on-bill repayment (OBR) More details on potential financing option are described in Activity 1.1.3.1 of the Project Document.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
	Component 2: The investment focuses on government building. Even if the aim is to improve energy efficiency of government buildings more than that of private/commercial buildings, such investments should be designed to be replicated to non-government buildings. Output 2.2.1 Relating to the GEB calculation, please clarify the investment plan on air conditioning in the government buildings rather than demonstrating technologies and schemes for scaling up. Please note that GEF funding should not bear the entire government procurement.	**Response:** A portion of GEF funds originally staged in PIF for INV in Component 2 is now reallocated for both technical assistance (TA) and investment. Selection of the government buildings for EE investments in air-conditioning and other major energy end-use systems will be carried out in consultation with relevant Technical Working Groups (TWGs) to ensure that the benefits of EE investments are maximized and can be used to demonstrate and stimulate replications in other government and private sector buildings. The project activities under the following outputs and outcomes will also help promote replications in non-government buildings. - Energy audits in private sector buildings under Outcome 2.1; - Capacity building on EE project development and implementation under Outcome 2.4; - Specific technical assistance programs for private sector buildings to design and implement EE projects under Outcome 2.5; and - Support for private sector EE investment projects to access EE financing designed and developed under Output 1.1.3.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
	Component 2 Output 2.3.1 Please develop criteria on NbS technologies that can be quantified in terms of emission reductions.	**Response:** The criteria on NbS technologies and appropriate approach and methodology for measurement and evaluation of energy savings (and corresponding GHG emission reductions) will be developed as part of Output 2.3.1 (Activity 2.3.1.1). The potential NbS for the MIBEE project would include planting indigenous trees to maximize shade and channel breezes toward the building for more efficient passive cooling and solar control. Initial estimations of energy savings and GHG emission reductions from applying NbS are provided in Detailed GHG emission reduction from reduced energy use in buildings from NbS is described in Appendix O ? Demonstration and Diffusion Module 2 (b) of the Project Document.
	6) Identified core indicators 11 in Table F: The number of ?direct? beneficiaries is too large given the structure of the project. Please revise indicator 6 and its sub-indicators under GEB section.	**Response:** The number of direct beneficiaries was revised based on the RMI Public Service Commission report which indicates that, as of December 2021, the RMI Public Service workforce was at a total of 1,194 employees (44% females and 56% males). The number of the total public sector employees in 2021 was conservatively adjusted to represent the number of direct beneficiaries with a factor of 70% representing the population of Marshallese in Majuro and Ebeye (which are in the project scope), and an assumption that 60% of public sector employees will benefit from the MIBEE project. As a result, the revised number of direct beneficiaries is 500 people, comprising 280 men and 220 women.
GEF Council Members? comments		

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
1	Germany suggests that when designing incentive schemes to be established under Output 1.1.2., to explore options that enable government offices outperforming to reinvest savings into further energy-saving measures.	**Response:** The incentive schemes to motivate and stimulate government offices in undertaking EE&C activities are now under Output 1.1.1, and multiple options of incentive schemes (e.g., EE&C contests and awards among government buildings) will be explored during the implementation phase of the project. Supporting government offices with outstanding EE&C performance to further invest in EE&C measures will be included in the incentive schemes.
2	Germany suggests to ensure stakeholder participation for the elaboration of the building codes prescriptions, to make the prescriptions well adapted to local practices as well as increase stakeholder appropriation of the prescriptions.	**Response:** Under Output 1.1 of Component 1, preparation of draft building energy code (BEC) requirements and regulations will be carried out through a consultative process, and the project will establish multiple technical working groups (TWGs) and also facilitate stakeholder consultation meetings. A specific TWG for BEC requirements and regulation will be established to ensure stakeholder participation and all requirements reflect local practices, climatic conditions and available technologies.
3	When selecting government/public buildings for retrofit and other individual energy efficiency measures, consider the selection of schools, hospital and kindergartens as potential show case due to broader reach out.	**Response:** The project will determine priority of government and private sector buildings for retrofitting from the previous walk-through energy audits and detailed energy audit results taken under Activity 2.1.1.3. The project will consider taking stock of major government and private buildings in RMI that are large electricity consumers, which hospital and school buildings will be included. Selection of the government buildings for EE investments will be conducted in consultation with NEO and relevant TWGs to ensure that the benefits of EE investments are maximized and can be used to demonstrate as potential show case for broader reach out in other government and private sector buildings.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
4	The project proposal does not specify target groups for the envisaged awareness campaign. If yet not anyhow intended, consider including the Department of Education as a potential stakeholder in the project to ensure broader reach out to school children and adolescents	**Response:** Under Output 1.2.1 and Output 2.4.1 of the Proposal Document, the primary target groups of the awareness campaigns and capacity building programs are mentioned, and these include, but not necessarily limited to, government staff, building owners/managers, building technology/product/service providers and suppliers, building practitioners (architects, engineers and designers), financial institutes, NGO and women groups. The project also aims to establish strategic alliances with relevant stakeholders (e.g., electric utilities, Ministry of Education, suppliers) in development and implementation of the awareness campaigns and capacity building programs.
5	While selecting private sector entities for cooperation under Output 2.5.1., ensure a clear and transparent selection process along criteria such as their energy efficiency and GHG mitigation potential as well as scalability of the energy efficiency measures to other private entities, visibility of the site, etc.	**Response:** Selection of the private sector entities for cooperation under Output 2.5.1 will be carried out early in the project implementation phase, in consultation with NEO, to ensure a clear and transparent selection. The key selection criteria will be primarily based on the private sector?s commitment to implement EE improvement in their building and the potential energy efficiency saving. The potential energy saving of the prospect private sector entities will be determined from the energy audits taken under Activity 2.1.1.3.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
6	The project?s steering committee should include stakeholders from the Republic of Marshall Island (RMI) Mitigation Working Group that reflects all relevant energy entities.	**Response:** The proposed structure of the project steering committee, as described in Section 5.3 of the Project Document, includes all relevant energy entities, i.e., National Energy Office (NEO), Climate Change Directorate (CCD) and Ministry of Works, Infrastructure and Utilities (MoWIU). Other potential members of the steering committee include Ministry of Finance (MOF), IUCN and donor agencies. Marshalls Energy Company (MEC) will also participate in specific Technical Working Groups (TWGs) which are relevant to its work domains and areas of expertise.
7	Ensure that newly installed AC units of twin type in government buildings are maintained in alignment with a regular maintenance scheme.	**Response:** After completion of the commissioning and test run, the operation and service maintenance manual will be handed over to the building staff, and training on regular maintenance requirements will be conducted by the subcontractor for the building staff. Details of the subcontractor's responsibility is described in Appendix F of the Project Document.
8	The project has a focus on energy efficiency but largely leaves out rooftop PV and solar-thermal installations. Since air conditioning and refrigeration are major sources of energy consumption, PV rooftop systems are an ideal fit. PV and solar-thermal integration are a significant option to reducing CO2-emissions of building and reducing pressure on the electricity grid. Both energy efficiency and generation should be considered together and tend to form better business models.	**Response:** Rooftop solar PV systems will be considered during the preparation of the building energy code (BEC) for Marshall Islands (Output 1.1.1). Feasibilities of other potential solar thermal technologies, such as solar water heaters, will be evaluated during the energy audit exercise (Output 2.1.1). Note that, for a Pacific Island country like Marshall Islands, hot water demand is generally found in hotel buildings.

No.	STAP,GEFSEC, and GEF Council Member comment on PIF document	Response to STAP,GEFSEC, and GEF Council Member comment in the CEO Endorsement packages
9	Whilst solar-powered air-conditioning units are mentioned in Component 2.2.1, the energy generation aspect is missing particularly from Component 1, e.g., under the aspect of revised building codes. The inclusion of nature-based solutions in Outcome 2.3 such as wall shading with plants is innovative. Overall, the shading effect of PV should be considered and in respect to Outcome 2.3 and the mutually beneficial combination of green roofs and PV-electricity production.	**Response:** As described in the previous response, integration of rooftop solar PV will be addressed in the development of the BEC of Marshall Islands. In addition, the EE passive building design including rooftop PV shading effects will be considered in the BEC and its implementation guideline to be prepared under Component 1.
10	The project would benefit from addressing energy production on buildings in individual components such as Outcome 1.1, 2.1, and 2.4.	**Response:** As outlined in the above responses, the project will consider benefits and feasibilities of on-site energy generation (primarily through rooftop solar PV) in potential building regulations (Output 1.1.1), awareness, communication and capacity building (Output 1.1.2 and 2.2.4), energy audits (Output 2.2.1), and implementation of EE&C measures in government and private sector building facilities (Output 2.2.2 and 2.2.5).

Sections in CEO Endorsement	GEF Sec Comments	Agency response
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)?	EBF 12/20/2022: Yes, the project remains aligned with the GEF CCM focal area elements as presented in PIF.	No Action

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?	EBF 12/20/2022: Yes	No Action
3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?	N/A	*N/A*-

Co-financing 4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?	EBF 12/20/2022: Please address the following comments: 1. The GEF Secretariat notes that the co-finance ratio is below 1:1 and has decreased from $2,094,921 (as outlined in the PIF) to $2,193,578. We understand the complexity of increasing the co-finance contribution to the project. As mentioned during the PIF stage, the GEF Secretariat recommends you mobilize other financial sources to ensure the project interventions will be effective and sustainable and enable the implementation of policy and plans. 2. Please provide a co-finance letter for the $1 million to be provided by the World Bank (SEDeP). 3. Regarding the IUCN $100,000 co-finance contribution, please change to ?In-kind / Recurrent expenditures? as per the co-financing letter. 4. None of the co-finance letters indicate a period in which the co-finance contribution will occur. Please amend this.	**13th April** Please note we are working on this and will be able to share updates in the next around of feedback. As agreed we are submitting the rest of the package at this stage to ensure adequate review time for the rest of the technical comments.

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?	EBF 12/20/2022: Yes, the financing presented in Table D is cost-effective to meet the project objectives and is consistent with what was presented in the PIF.	No Action-
Project Preparation Grant 6. Is the status and utilization of the PPG reported in Annex C in the document?	EBF 12/20/2022: Yes, the PPG utilization status is indicated. According to Annex C, $52,222 have been spent to date and the remaining $47,778 are committed.	**Response:** No Action

Core indicators 7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?	EBF 12/20/2022: Please address the following comment: 1. Regarding Indicator 11, we note that the number of beneficiaries has significantly decreased compared to the PIF stage and the number of women beneficiaries is lower than men. We note you have addressed part of this as one of your responses in Annex B. Please include your explanation in the text below Table E.	**13th April** The following text is included below Table E of the CEO Endorsement Request document. The number of direct beneficiaries was revised based on the RMI Public Service Commission report which indicates that, as of December 2021, the RMI Public Service workforce was at a total of 1,194 employees (44% females and 56% males). The number of the total public sector employees in 2021 was conservatively adjusted to represent the number of direct beneficiaries with a factor of 70% representing the population of Marshallese in Majuro and Ebeye (which are in the project scope), and an assumption that 60% of public sector employees will benefit from the MIBEE project. As a result, the revised number of direct beneficiaries is 500 people, comprising 280 men and 220 women.
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?	EBF 12/20/2022: Yes. More information is also provided in the Project Document, Section 3.3.	No Action-

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?	EBF 12/20/2022: Please address the following comment: 1. Although we welcome conciseness, we encourage you to ensure that you adequately describe the baseline scenario in the portal. The information provided in the portal is limited to a brief description of projects and initiatives. In contrast, section 3.5 of the project document gives greater detail, properly justifies the baseline scenario (a copy/paste of the relevant information from the project document will suffice).	**13th April** More details on the baseline scenario are included in Part II, section 1a. 2) of CEO Endorsement Request document (see track changes highlighted in green).
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?	EBF 12/20/2022: Please address the following comments: 1. Noting that Activities and Deliverables are mentioned and described in the project document and not in the portal, please make sure they are properly described in the portal (a copy/paste of the relevant information from the project document will suffice).	**13th April** More details on activities and deliverables are included in Part II, section 1a. 3) of CEO Endorsement Request document (see track changes highlighted in green).

	2. While addressing the previous comment, please also make sure that the following comments are reflected in the portal and the project document: 2.1 Activity 1.1.1.5 in the project document mentions that *"the EE procurement guideline <u>shall discuss and recommend</u> the applicability of life cycle (or whole-of-life) cost of appliances/equipment."* We encourage you to be more specific. In contrast, Activities 1.1.2.1 and 1.1.2.2 also refer to guidelines for BEC and MEPSL and are more thorough than the guideline referred in Activity 1.1.1.5. For example, Activity 1.1.1.5 could assess and provide a way forward to incorporate life cycle (or whole-of-life) cost of appliances/equipment in EE procuring.	**<u>13th April</u>** GEF Sec comments are reflected in the revised description of Activity 1.1.1.5, as shown below. ?In addition, the EE procurement guideline shall discuss and recommend the applicability of life cycle (or whole-of-life) cost of appliances/equipment, which will enable government and private sector entities in RMI to evaluate the total cost of owning appliances/equipment by adding energy consumption and maintenance costs throughout the operating lifetime of appliances/equipment to the procurement guideline. The EE procurement guideline will include but not limited to the following contents: ? Scope of the EE procurement guideline (e.g., technologies, applications, etc.) ? Minimum technical specifications (e.g., general performance and safety requirements, electrical and mechanical requirements, etc.) ? Additional procurement criteria (e.g., energy consumption, environmental performance, spare part, availability of repair/maintenance services, warranty, etc.) ? Guidelines for analysis of Life Cycle Costs and Emissions?

	2.2 In line with Output 2.3.1, we encourage you to consider Nature-based Solutions as part of the EE&C and BEC guidelines in Activities 1.1.1.6 and 1.1.2.1. ?	**13th April** Nature-based Solutions are included as part of the EE&C and BEC guidelines in Activity 1.1.1.6 and 1.1.2.1. Activity 1.1.1.6 Basic no-cost and low-cost EE&C measures would include but not necessarily limited to switching off lighting and appliances when not in use, utilizing natural lighting, setting Energy Star/savings features in office/IT equipment, setting air conditioner temperature at 77 degree Fahrenheit (25 degrees Celsius) or higher, using fans in combination with air conditioners, using curtains and shading to reduce solar heat gain, installing dedicated light switches, and fixing and minimizing air leakages in air conditioned rooms, and integrating NbS to improve passive cooling, etc. Activity 1.1.2.1 It is envisaged that the BEC implementation guideline will be prepared in collaboration with NEO, MoWIU and TWG on BEC, and will include but not limited to the following contents: ? BEC regulatory requirements. ? Roles and responsibilities of stakeholders (e.g., NEO, MoWIU, building owners). ? BEC-compliant assessment procedures, data required, application procedures and BEC-compliant building database. ? BEC-compliant designs (building envelope, lighting, HVAC, hot water, rooftop solar PV, green

		roof and passive cooling through the adoption of NbS, etc.) including recommended building construction materials and EE equipment/appliances, and case studies on BEC compliance and beyond (net-zero building designs).

	2.3 Regarding Activity 1.1.2.2 in the project document, please clarify if NEO and the Customs authority have the capacity and resources to establish a product registration system for importers/retailers and verify import certificates, respectively. If not, explain how the project will ensure both institutions can assume and implement this role. ?	**13th April** in response to the question on alocation of resources for establishment of PRS, RMI is participating in the Pacific Regional Integration Support (PRISE) project, funded by the EU, and under which the customs management software, ASYCUDAWorld, is being implemented. Through adoption of ASYCUDAWorld, the Customs authority in RMI will be familiar with electronic clearance process for imported products, and the product registration system established under the MIBEE project will help facilitate import of appliances/equipment regulated by the MEPSL regulation. However, the product registration system will be new to NEO. Therefore, the MIBEE project has allocated resources for development of the product registration system for NEO. During the initial phase of MEPSL regulation enforcement, less-complicated Excel spreadsheets can be utilized as a database for the product registration system. Once more regulated products are included in the database, the product registration system can be transited to a web-based product registration system which will be more capable in handling and transferring data between NEO and the Customs authority. Note that an opensource web-based product registration system developed UNEP is also available for adoption by NEO at small modification cost. The available resources from the MIBEE project and phase-step transition will allow NEO and the Customs authority to gradually build their capacity to implement the product registration systems to support the MEPSL regulation in RMI.

2.4 Regarding Activity 2.1.1.3 in the project document, it is recommendable to have a clear sense of the level of detail you aim to accomplish with the energy audits at the project's design stage. For example, the American Society of Heating, Refrigerating, and Air-conditioning Engineers (ASHRAE) defines different levels from a level 1 audit, consisting of a walk-through analysis, to a level 3 audit, entailing a detailed analysis of capital-intensive modifications. Considering this, please provide more detail on the level of ambition, and the estimated number of energy audits the project will conduct.	**13th April** - More details on the levels of energy audit and estimated number of building site are included in description of Activity 2.1.1.3, as shown below and in the Prodoc p.39. ?The project will then determine priority government and private sector buildings for walk-through and detailed energy audits, which is respectively equivalent to Level-1 and Level-3 energy audit as defined by the American Society of Heating, Refrigerating, and Air-conditioning Engineers (ASHRAE). It is envisioned that all the large buildings listed in Table 1 (17 buildings) will be included in the scope of the Level-1 energy audit exercise, and about half of audited buildings (or about 8 buildings) will be selected for the Level-3 energy audits.?

	2.5 Activity 2.2.1.3 in the project document mentions the following: *"post-installation monitoring of each demonstration in accordance with the M&V plan will be carried out by the project and selected buildings."* We welcome post-installation monitoring of demonstrations. We welcome post-installation monitoring of demonstrations. Please provide a short explanation of what this M&V plan consists of.	**13th April** Short explanation of M&V plan is included in Activity 2.2.1.3, as shown below. ?The M&V plan will include but not limited to: - Compilation of baseline energy and operating performance of each retrofit building, including survey the effectiveness of the existing appliance/equipment energy performance, operating performance factor and user behaviour - Purchase and Installation of measuring instruments /equipment - Post-installation reporting of energy efficiency performance and test-run report of each retrofit appliance/equipment - Quarterly and annual report of the energy consumption saving and operating performance of each retrofit building, and GHG emission reduction achievement?

	2.6 Please explain how the project will take an environmentally-sound management of the appliances to be replaced in Outcome 2.2.	**13th April** The Climate Change Directorate (CCD) is the main government agency responsible for environmental issues in RMI. CCD will be engaged as a member of the Project Steering Committee (PSC) to oversee the operational aspects related to environmentally sound management of the appliances to be replaced in Outcome 2.2. An overall approach to the environmentally sound management is included in Activity 2.2.1.3 as shown below. ?A waste disposal plan for existing equipment will be developed in accordance with relevant RMI regulations, with support from CCD, and relevant international guidelines to ensure that waste is properly managed and that all hazardous wastes are appropriately and safely captured and disposed of. The relevant environmentally sound management guidelines to be referenced would include but not limited to the U4E policy guide series on lighting products and air conditioners.?

	2.7 We welcome the inclusion of Nature-based Solutions (NbS) in Output 2.3.1. If possible, please provide a brief explanation of why you decided to focus on "EE landscaping and tree planting" instead of other Nature-based Solutions.	**13th April** Some Nature-based Solutions which involve modification or addition to building envelopes are not practical in RMI. For example, green roofs are not suitable with most building structures in RMI as most of which have sloped roof shapes. In addition, most building structures are not designed with consideration on additional loads from potential Nature-based Solutions. In view of this, EE landscaping and tree planting are considered more practical in the RMI context.
	2.8 [General comment] Please specify if the deliverables mentioned for each Output in the project document are expected to be adopted or launched (as mentioned in their corresponding activities)	**13th April** Milestones for all deliverables are marked as dark cells in Annex C Work Plan of the Project Document.
4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?	EBF 12/20/2022: Yes, this is well aligned with the GEF CCM focal area, especially regarding Objective 1, and entry point 3: Accelerating energy efficiency adoption (CCM-1-3).	No Action-
5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?	EBF 12/20/2022: Yes.	? No Action-
6. Is there further and better elaboration on the project?s expected contribution to global environmental benefits or adaptation benefits?	EBF 12/20/2022: Yes, the project?s expected contribution to global environmental benefits is elaborated.	No Action-

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?	EBF 12/20/2022: Please address the following comments: 1. We encourage you to elaborate on the sustainability of the project in relation to capacity building and knowledge management. Some aspects of this are mentioned in the description of Component 2 and 3 in the project document but are not included in this specific section related to overall sustainability of the project. 2. Similar to the previous comment, we invite you to consider how the demonstrations and the engagement of the private sector will also contribute to the potential for scaling up.	**13th April** The following texts were included in Subsection 7) Innovative, sustainability and potential for scaling up, under Part II, Section 1a. Project Description of the CEO Endorsement Request document. <u>Institutional Sustainability</u> ?All regulations, guidelines, tools, and demonstration projects developed under Component 1 and 2 of the project will be part of the capacity building and training programs. The project will collaborate with the PSC and relevant TWGs to conduct a training-of-trainers (ToT) program and embed the training modules and programs developed by the project in the existing training systems managed by the government and research/academic institutions in RMI.? <u>Potential for Scaling Up</u> Replicability of the proposed project components will be ensured through compilation of lessons learned from public and private sector demonstrations, successful adoption and utilization of EE fiscal and financial policy instruments by the private sector, and dissemination of these knowledge outputs at national and regional levels as described in Component 3. These will collectively enhance the scaling up potential of EE/RE investments by the government and private sector in RMI.

Project Map and Coordinates Is there an accurate and confirmed geo-referenced information where the project intervention will take place?	EBF 12/20/2022: Yes, this section is satisfactory and consistent with the PIF, as approved.	? No Action-
?Child Project If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?	N/A	No Action
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?	EBF 12/20/2022: Please address the following comments: 1. Are the private sector representatives to be engaged in Output 2.5.1 included in the stakeholder engagement plan? 2. Please explain why academia or technical training institutions are not included in the stakeholder engagement plan.	**13th April** 1. Yes, the private sector representatives to be engaged in Output 2.5.1 are included in the stakeholder engagement plan, as shown in Table 8: Stakeholder Engagement Plan (SEP) of the project document, under ?RMI Chamber of Commerce, and private sector entities?. *2.* Academia and technical training institutes are now included in Table 8: Stakeholder Engagement Plan (SEP) of the project document.

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?	EBF 12/20/2022: Please address the following comment: 1. You mention that "the project aims to empower stakeholders - especially women and vulnerable groups - to contribute to project design and be more actionable in implementing project activities." Considering that the Stakeholder section doesn't mention women and vulnerable groups, we encourage you to be more specific on how these stakeholders were engaged during project design and implementation. 2. It is well noted that the project includes a gender analysis and action plan. Having said that, the project should consider incorporating gender considerations in the project components. The Gender Engagement Plan does not seem to inform the project design. Please review the component of the project to better reflect the gender analysis and plan for action.	**13th April** 1. More details on women/vulnerable groups and process of engagement are now included in Table 8: Stakeholder Engagement Plan (SEP) of the project document and CEO endorsement template. 2. Gender considerations are integrated into the project components, as described below. Component 1, Section 4.3.1 of the project document: The component will develop and implement enabling policies and regulations for EE buildings in RMI. These include establishment of technical working groups (TWGs) to prepare draft regulatory documents, facilitation of stakeholder consultation to review and finalize regulatory documents, and development and implementation of enforcement mechanisms. This component will ensure a balance of gender representation in the process of development and implementation of relevant EE policies and regulations for buildings. This component will also promote awareness on building EE and support capacity building and training for the government staff and local stakeholders in EE measure and NbS with gender-disaggregated consideration.

		Component 1, Section 4.3.1.2 (Outcome 1.2) of the project document: The project will include relevant women and vulnerable groups in the capacity needs assessment survey and incorporate the assessment findings into the designs of capacity building and training programs and awareness campaigns to increase EE awareness and knowledge among these groups. The following activities will be implemented to deliver this output. Activity 1.2.1.1: A survey and assessment will be conducted to understand awareness levels, information needs, communication channels, and other important characteristics (e.g., regular sources of information being accessed) of private sector entities and households as well as relevant women and vulnerable groups across Majuro and Ebeye. Activity 1.2.1.3: Annual quantitative and qualitative evaluation of the campaigns will be carried out and a post implementation survey will also be conducted before end-of-project to determine how well the campaigns have impacted EE awareness of target audience (including women and vulnerable groups) in Majuro and Ebeye. Component 2, Section 4.3.2.4 (Outcome 2.4) of the project document Activity 2.1.1.1: As part of the building energy audit guidelines and procedures, this activity will design an energy audit training program

		which will cover basic energy audits for building energy managers, women and vulnerable groups, and NGOs, and more advanced energy audits for technical people for implementation under Outcome 2.4. Activity 2.4.1.1: The needs assessment exercise will also focus on gender aspects and vulnerable groups among potential participants of the capacity building and training program. Activity 2.4.1.2: To ensure long-term sustainability, a special training-of-trainers (ToT) program will be developed and integrated into the overall training program for government staff, private sector, national experts, including research/academic/technical training institutes. Component 3, Section 4.3.3.1 (Outcome 3.1) of the project document Activity 3.1.1.2: In terms of monitoring, the project will track and evaluate all expected outputs and outcomes with gender-disaggregated data for the project reporting.
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?	EBF 12/20/2022: Yes, engagement with the private sector have been adequately outlined.	No Action-

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?	EBF 12/20/2022: Please address the following comment: 1. The risk section is well developed. We invite you to revisit the guidance issued by GEF Secretariat for agencies regarding COVID-19: "Project Design and Review Considerations in Response to the COVID-19 Crisis and the Mitigation of Future Pandemics", of August 27, 2020. We note you have included a risk related to COVID-19 in the risk table. However, in line with the guidance mentioned above, projects should clearly highlight both risks and opportunities in response to the COVID crisis. We suggest creating a new section related to this, covering both risks (risks can also remain included in the risk section) and opportunities and including some indication of how the project will work through its international and local (human) resources to ensure that building efficiency and building decarbonization remain high on the priorities of the beneficiary governments and appropriate support can be provided as technical inputs in the respective recovery plans.	**13th April** 1. An additional section called ?COVID-19 Risk Assessment and Opportunities? was included under Section 4.5 Risk analysis and risk management measures of the project document. "RMI closed its border in the early stages of the coronavirus pandemic in March 2020. It was one of the last countries worldwide to get its first cases in October 2020. About 75% of the population received at least 1 dose. The recent outbreak was in August 2022 but RMI managed to contain the situation within a month and the international border fully reopened in September 2022. As of 2022, there were 15,544 confirmed cases and only 17 deaths due to the COVID-19 pandemic in RMI. Likely risks from COVID-19 to successfully implementing project activities are generally involve restrictions of physical movements and interactions due to different organizational policies and guidelines on COVID-19 adopted project stakeholders. Note that all government agencies and private sector stakeholders in RMI have already equipped with necessary infrastructures for organizing web-based meetings/consultations. Protocols for such engagements are already in place and will be used to address any situations of restrictions. More details on mitigation measures are summarized in the above risk table. In addition to the project implementation risks identified, the COVID-19 pandemic could offer RMI the opportunities in accelerating adoption of EE regulations and promoting EE behaviors in the building sector. For

		example, adoption of any future work-from-home policy to minimize physical contacts will lead to more utilization of home appliances, especially cooling appliances, such as electric fans and room air-conditioners. This will present a great opportunity for the project to fast track development and adoption of the MEPSL regulations for home appliances to ensure that new cooling appliances purchased by households are EE units. The opportunity to promote NbS for passive cooling in residential buildings could also exist for the same reason. Moreover, there are some health concerns due to staying in an air-conditioned area for a prolonged period of time, as this can cause respiratory problems in nose, throat and eyes. Cleaning room ACs helps prevent these health problems, and international experiences have suggested that regular cleaning of AC units is an important EE behavior as it helps save up to 10% of electricity cost."
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?	EBF 12/20/2022: Please address the following comments: 1. Project GEF ID 9863 "Micronesia Public Sector Buildings Energy Efficiency (MPSBEE) Project" is mentioned in the project description's Root Causes and Barriers sub-section. Will the current project coordinate with project GEF IS 9863? If so, how?	**13th April** The two projects have agreed to have quarterly or semi-annual virtual meetings to share lessons and opportunities. The GEF ID 9863 will be invited to the MIBEE inception meeting either in person or virtually.

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?	EBF 12/20/2022: Please address the following comments: 1. Kindly add a summary (or copy/paste from section 4.6 of the project document, whichever is easier) in the GEF Portal of the project?s consistency with national priorities and plans.	**13th April** Section 4.6 of the project document is included under Part II, Section 7 Consistency with National Priorities of the CEO Endorsement Request document.
Knowledge Management Is the proposed ?Knowledge Management Approach? for the project adequately elaborated with a timeline and a set of deliverables?	EBF 12/20/2022: Yes	No Action-
Environmental and Social Safeguard (ESS) Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?	EBF 12/20/2022: Yes	No Action-
Monitoring and Evaluation Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?	EBF 12/20/2022: Yes	-

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?	EBF 12/20/2022: Yes	-

Annexes Are all the required annexes attached and adequately responded to?	EBF 12/20/2022: Please address the following comment: 1. Please upload ANNEX E: Project Budget Table again in the Portal. The current image has low resolution, and it is impossible to read. It would be desirable if you upload the budget as a table in the Portal. 2. Also related to the project budget, the Project Coordinator and Chief Technical Advisor (which we understand are part of the project?s staff) are being charged across components and PMC (as shown in the screen capture below). Per Guidelines, the costs associated with the project?s execution have to be covered by the GEF portion and the co-financing portion allocated to PMC. Currently the GEF resources allocated to PMC are $74,078, which represents 3.4% of the GEF Financing while the co-financing resources allocated to PMC are $104,745, which represent 5.2% of the total co-financing. Please note that whereas the GEF portion can slightly increase up to 5%, the co-financing resources can?t go above the same level (5%). We encourage you to explore whether some portion of these positions can be covered with additional PMC.	**13th April** 1. The budget has been re-uploaded to ensure a clear image. 2.The co-financing allocations for project components and PMC were reviewed and adjusted. The co-financing resource for PMC is now $94,271 as shown in Table B Project Description Summary of the CEO Endorsement Request document. However please note with updates we are trying to confirm with co-financing, this might adjust slightly in the final version.

Project Results Framework	EBF 12/20/2022: Please address the following comments: 1. Regarding the baseline a) for Indicator 1.2.1, you mention that it will be "determined as part of the assessment survey". Although we welcome this survey, we recommend you reformulate this baseline or indicator so it follows a SMART approach and doesn't leave room for uncertainty in how it will be measured. 2. Similar to the previous comment, we kindly ask you to reconsider the baselines for Indicators 2.4.1 and 2.5.1. 3. In line with the comment made for Activity 2.1.1.3 in the alternative scenario, we invite you to include an indicator related to the energy audits you plan to conduct under Output 2.1.1	**13th April** The baseline and End-of-Project target indicators for 1.2.1, 2.1.1, 2.4.1, and 2.5.1 are revised as follows: **Indicator 1.2.1**: a) Cumulative number of direct beneficiaries participated in the EE & NbS awareness and communication program Baseline = 0; End-of-Project target = 100 **Indicator 2.1.1**: Number of building energy audit report conducted Baseline = 0 (no. of building energy audit conducted by the MIBEE project; End-of-Project target = 25 (No. of energy audit reports conducted; consist of walk-through audit in 17 buildings and detailed energy audits in 8 buildings) **Indicator 2.4.1**: Number of workshop/EE training courses organized for the government staff and private sector building personnel Baseline = 0 (no. of EE training courses organized by MIBEE project for government staff and private sector building personnel End-of-Project target 8 (Total number of EE training courses organized by MIBEE; 2 times per year) **Indicator 2.5.1**: Number of private sector buildings planned and

		implemented for increasing energy efficiency in their building Baseline = 0 (no. of private sector building with improved energy efficiency through EE&C measures as part of the technical assistance program under Output 2.5.1 End-of-Project target = 2 (number of private sector building with improved energy efficiency through EE&C measures)
GEF Secretariat comments	EBF 12/20/2022: Yes	-
Council comments	EBF 12/20/2022: Yes	-
STAP comments	EBF 12/20/2022: Yes	-
Convention Secretariat comments	N/A	
Other Agencies comments	N/A	
CSOs comments	N/A	
Status of PPG utilization	EBF 12/20/2022: Yes	-
Project maps and coordinates	EBF 12/20/2022: Yes	
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)	N/A	-
Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)	N/A	-

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)	N/A	-
GEFSEC DECISION RECOMMENDATION Is CEO endorsement recommended? (applies only to projects and child projects)	EBF 12/20/2022: Please address the comments above. ** Please highlight in green the changes made on the portal version of the CEO approval document for ease of reference. **	**13th April** See the track changes highlighted in green in the CEO Endorsement Request document and the project document.

ANNEX C: Status of Utilization of Project Preparation Grant (PPG). (Provide detailed funding amount of the PPG activities financing status in the table below:

PP Grant Approval at PIF: $100,000			
Project Preparation Activities Implemented	*GETF/LDCF/SCCF Amount ($)*		
	Budgeted Amount	*Amount Spent To date*	*Amount Committed*
Consultancy for preparation of CER, ProDoc and annexes	87,000	52,222	34,778
Field mission to Marshalls	13,000	-	13,000
Total	100,000	52,222	47,778

ANNEX D: Project Map(s) and Coordinates

Please attach the geographical location of the project area, if possible.

see previous section 1b for map.

ANNEX E: Project Budget Table

Please attach a project budget table.

Expenditure Category	Detailed Description	Component (USDeq.)											Tota
		Component 1		Component 2					Component 3	Sub-Total	M&E	PMC	
		Outcome 1.1	Outcome 1.2	Outcome 2.1	Outcome 2.2	Outcome 2.3	Outcome 2.4	Outcome 2.5	Outcome 3.1				
Goods	Monitoring Equipment and Data loggers	-	-	-	50,000	-	-	-	-	50,000	-	-	
	Office furnitures	-	-	-	-	-	-	-	-	0	-	1,238	
Contractual Services – Individual	Mid-Term Evaluation / Mid-Term Review	-	-	-	-	-	-	-	-	-	15,000	-	
	Terminal Evaluation	-	-	-	-	-	-	-	-	-	15,000	-	
Contractual Services – Company	Subcontractor-Technology service provider (EPC contract, including procurement goods/equipment)	-	-	-	819,000	-	-	-	-	819,000	-	-	
	Energy auditor Sub-contract	-	-	100,000	-	-	-	-	-	100,000	-	-	
	Information Technology and Database Sub-contract	-	15,000	-	-	-	-	-	8,000	23,000	-	-	
	Training tools & materials printing Sub-contract	-	20,000	-	-	-	20,000	-	20,000	60,000	-	-	
	Independant financial audits	-	-	-	-	-	-	-	-	-	-	4,800	
International Consultants	Int'l consultant 1 (Building Energy Efficiency Expert)	84,000	-	36,000	60,000	-	24,000	-	-	204,000	-	-	
	Int'l consultant 2 (EE Standards and Labeling Expert)	84,000	-	-	-	-	-	-	-	84,000	-	-	
	Int'l consultant 3 (EE Finance Expert)	48,000	-	-	-	-	-	18,000	-	66,000	-	-	
	Int'l consultant 4 (NbS Expert)	-	-	-	-	48,000	-	-	-	48,000	-	-	
Local Consultants	Nat'l consultant 1 (Chief Technical Advisor)	42,000	12,000	15,000	18,000	-	10,500	7,500	21,000	126,000	-	-	
	Nat'l consultant 2 (Project Coodinator)	20,000	8,000	8,000	18,000	-	10,000	6,000	14,000	84,000	-	-	
	Nat'l consultant 3 (Building Energy Efficiency Expert)	-	-	-	25,000	5,000	30,000	20,000	-	80,000	-	-	
	Nat'l consultant 4 (Gender Expert)	-	40,000	-	-	-	25,000	-	-	65,000	-	-	
	Nat'l consultant 5 (Communication & Outreach Expert)	-	10,000	-	-	-	10,000	-	-	20,000	-	-	
Salary and benefits / Staff costs	Project Manager	-	-	-	-	-	-	-	-	-	-	33,600	
	Project Finance and Admin Officer	-	-	-	-	-	-	-	-	-	-	23,100	
Trainings, Workshops, Meetings	Inception Workshop	1,500	-	-	-	-	-	-	-	1,500	-	-	
	TWGs and Stakeholders Workshops, etc.	18,000	12,000	5,000	-	-	13,500	6,000	25,500	80,000		-	
Travel	Travel costs for staff and national consultants	16,500	12,000	6,000	12,000	6,000	18,000	6,000	10,500	87,000	-	-	
	Travel costs for international consultants	36,000	-	16,000	8000	-	-	16,000	16,000	92,000	-		
Office Supplies	Office accessories supplies, etc.	-	-	-	-	-	-	-	-	-	-	5,040	
Other Operating Costs	Communitation, IT, maintenance, etc.	-	-	-	-	-	-	-	-	-	-	6,300	
Grand Total		350,000	129,000	186,000	1,010,000	59,000	161,000	79,500	115,000	2,089,500	30,000	74,078	

ANNEX F: (For NGI only) Termsheet

Instructions. Please submit an finalized termsheet in this section. The NGI Program Call for Proposals provided a template in Annex A of the Call for Proposals that can be used by the Agency. Agencies can use their own termsheets but must add sections on Currency Risk, Co-financing Ratio and Financial Additionality as defined in the template provided in Annex A of the Call for proposals. Termsheets submitted at CEO endorsement stage should include final terms and conditions of the financing.

ANNEX G: (For NGI only) Reflows

Instructions. Please submit a reflows table as provided in Annex B of the NGI Program Call for Proposals and the Trustee excel sheet for reflows (as provided by the Secretariat or the Trustee) in the Document Section of the CEO endorsement. The Agencys is required to quantify any expected financial return/gains/interests earned on non-grant instruments that will be transferred to the GEF Trust Fund as noted in the Guidelines on the Project and Program Cycle Policy. Partner Agencies will be required to comply with the reflows procedures established in their respective Financial Procedures Agreement with the GEF Trustee. Agencies are welcomed to provide assumptions that explain expected financial reflow schedules.

ANNEX H: (For NGI only) Agency Capacity to generate reflows

Instructions. The GEF Agency submitting the CEO endorsement request is required to respond to any questions raised as part of the PIF review process that required clarifications on the Agency Capacity to manage reflows. This Annex seeks to demonstrate Agencies? capacity and eligibility to administer NGI resources as

established in the Guidelines on the Project and Program Cycle Policy, GEF/C.52/Inf.06/Rev.01, June 9, 2017 (Annex 5).