

# Marshall Islands Building Energy Efficiency

**Review CEO Endorsement and Make a recommendation** 

# **Basic project information**

GEF ID	
10859	
Countries	
Marshall Islands	
Project Name	
Marshall Islands Building Energy Effici	ency
Agencies	
IUCN	
Date received by PM	
12/1/2022	
Review completed by PM	
12/9/2022	
Program Manager	
Esteban Bermudez Forn	
Focal Area	
Climate Change	
Project Type	
FSP	

# PIF CEO Endorsement

**Part I ? Project Information** 

Focal area elements

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

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes, the project remains aligned with the GEF CCM focal area elements as presented in PIF.

Agency Response Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

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

Secretariat Comment at CEO Endorsement Request N/A

Agency Response Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

# Secretariat Comment at CEO Endorsement Request EBF 5/24/2023: Noted. Cleared.

EBF 5/24/2023: The following comments address the comments made by the PM on 12/20/2022:

- 1. We take note that the co-finance contribution has increased to \$2,635,840.27 and the co-finance ratio compared to the GEF GEF amount is 1.2. Cleared
- 2. Cleared.
- 3. Cleared
- 4. The co-finance letters uploaded in the documents section differ from the ones available in the CEO Endorsement form in the Portal. Please upload the correct versions to the Portal. For example, the timeframe for co-financing is not indicated in the IUCN nor National Energy Office co-financing letters that are available in the CEO Endorsement form in the Portal.

EBF 4/13/2023: We note that the Agency is working on the co-financing of the project. We will address the previous comments from 12/20/2023 in the next round of review.

EBF 12/20/2022: Please address the following comments:

- The GEF Secretariat notes that the co-finance ratio is below 1:1 and has decreased from \$2,193,578 (as outlined in the PIF) to \$2,094,921. 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.

Agency Response 24 May 2023 Kindly note that there are only one set of cofinancing letter uploaded. These were uploaded directly in the portal cofinancing section and the same appear in the roadmap documents section. These letters include indicated timelines for cofinancing: 1. IUCN - June 2023 - June 2024; 2. National Energy Office - 2023 - 2026; 3. World Bank as previously stated: The World Bank letter clearly refers to the cofinancing being for this project with specific reference to NEO being the executing agency which implies that it is for the entire project period

#### 22 May 2023

1. The cofinancing amount is now increased to USD 2, 635, 840.27. During project implementation further cofinancing will be leveraged

 The World Bank cofinancing letter has been provided at a higher amount of USD 1, 540, 919.27

3. This has been corrected in the GEF portal

4. The timeframe for cofinancing is now indicated in the IUCN and National Energy Office cofinancing letters. The World Bank letter clearly refers to the cofinancing being for this project with specific reference to NEO being the executing agency which implies that it is for the entire project period

#### 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?

Secretariat Comment at CEO Endorsement Request 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.

Agency Response Project Preparation Grant

#### 6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request 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.

Agency Response Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023: Thank you for the clarification. Cleared.

EBF 12/20/2022: Please address the following comment:

 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.

# Agency Response 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?

#### Secretariat Comment at CEO Endorsement Request

EBF 12/20/2022: Yes. More information is also provided in the Project Document, Section 3.3.

#### Agency Response

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

Secretariat Comment at CEO Endorsement Request EBF 5/24/2023: Cleared. If possible, please remove the yellow highlighting of the text.

EBF 4/13/2023: Please copy/paste the relevant text from section 3.5 to the project document in the portal. Right now, the summary provided does not provide a full picture of the baseline scenario.

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).

# Agency Response 22 May 2023

As advised, Section 3.5 of the ProDoc is now copied into the baseline scenario section of the GEF portal.

#### 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?

Secretariat Comment at PIF/Work Program Inclusion EBF 4/13/2023:

- 1. Cleared.
- 2. 1. Cleared.
  - 2. Thank you for the clarification. Cleared.
  - 3. Noted. Cleared.
  - 4. Noted. Cleared.
  - 5. Cleared.
  - 6. Noted. Cleared.
  - 7. Noted. Cleared.
  - 8. Cleared.

EBF 12/20/2022: Please address the following comments:

- 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).
- 2. While addressing the previous comment, please also make sure that the following comments are reflected in the portal and the project document:
  - Activity 1.1.1.5 in the project document mentions that "the EE procurement guideline shall discuss and recommend 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.
  - 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.
  - 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.

- 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.
- 5. Activity 2.2.1.3 in the project document mentions the following: "postinstallation monitoring of each demonstration in accordance with the <u>M&V</u> <u>plan</u> will be carried out by the project and selected buildings." We welcome post-installation monitoring of demonstrations. Please provide a short explanation of what this M&V plan consists of.
- 6. Please explain how the project will take an environmentally-sound management of the appliances to be replaced in Outcome 2.2.
- 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.
- [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)

# Agency Response 13th April

1. 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. 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?

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).

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.

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 walkthrough 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 Airconditioning 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.?

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?

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.?

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.

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?

#### Secretariat Comment at CEO Endorsement Request

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).

#### Agency Response

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

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes.

#### Agency Response

6. Is there further and better elaboration on the project?s expected contribution to global environmental benefits or adaptation benefits?

### Secretariat Comment at CEO Endorsement Request

EBF 12/20/2022: Yes, the project?s expected contribution to global environmental benefits is elaborated.

#### Agency Response

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023:

- 1. Cleared.
- 2. Cleared.

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.

## Agency Response 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.

#### Institutional Sustainability

?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.?

#### Potential for Scaling Up

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?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes, this section is satisfactory and consistent with the PIF, as approved.

Agency Response Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request N/A

Agency Response Stakeholders

Does the project include detailed report on stakeholders engaged during the design phase? Is there an adequate stakeholder engagement plan or equivalent documentation for the implementation phase, with information on Stakeholders who will be engaged, the means of engagement, and dissemination of information?

Secretariat Comment at CEO Endorsement Request

#### EBF 4/13/2023:

- 1. Cleared.
- 2. Cleared.

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.

# Agency Response 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?

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023:

- 1. Cleared.
- 2. Cleared.

EBF 12/20/2022: Please address the following comment:

 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.

## Agency Response 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?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes, engagement with the private sector has been adequately outlined. Agency Response Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

## Secretariat Comment at CEO Endorsement Request EBF 5/24/2023: Cleared. If possible, please remove the yellow highlighting of the text.

#### EBF 4/13/2023:

1. Thank you for including the additional section. Please copy/paste it and include it in section 5 (Risks to Achieving Project Objectives) in the portal after the risks table.

#### EBF 12/20/2022: Please address the following comment:

 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.

Agency Response 22 May 2023

As advised, we have included the risk table in Section 5 which is highlighted in yellow.

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."

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023: Cleared.

EBF 12/20/2022: Please address the following comments:

 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?

# Agency Response 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?

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023: Cleared.

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.

# Agency Response 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?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes Agency Response 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?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023:

1. Cleared.

2. Noted. The previous comment will be reviewed in the next round of review.

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.

Int'l consu	ultant 4 (NbS Expert)	- '	<u> </u>	<u> </u>	1 - 1	48,000	<u>( - '</u>	( <u> </u>	<u> </u>	48,000	1 - '	( · · '	48,000	PMU
Nat'l cons	ultant 1 (Chief Technical Advisor)	42,000	12,000	15,000	18,000		10,500	7,500	21,000	126,000	$\square$	<u> </u>	126,000	PMU
Nat'l cons	ultant 2 (Project Coodinator)	20,000	8,000	8,000	18,000		10,000	6,000	14,000	84,000	$\Box$	· ·	84,000	PMU

# Agency Response 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**

Secretariat Comment at CEO Endorsement Request EBF 4/13/2023:

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

EBF 12/20/2022: Please address the following comments:

- 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

## Agency Response 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**

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response Council comments

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response STAP comments

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response Other Agencies comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response CSOs comments

Secretariat Comment at CEO Endorsement Request N/A

Agency Response Status of PPG utilization

Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response Project maps and coordinates Secretariat Comment at CEO Endorsement Request EBF 12/20/2022: Yes

Agency Response

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

**GEFSEC DECISION** 

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request EBF 5/24/2023: The PM recommends the project for further processing.

EBF 5/24/2023: Please address the comment related to the co-finance letters uploaded in the CEO Endorsement Form in the Portal.

EBF 4/13/2023: Please address the comments above.

\*\* Please highlight in yellow the changes made on the portal version of the CEO approval document for ease of reference. \*\*

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. \*\*

#### **Review Dates**

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	12/20/2022	
Additional Review (as necessary)	4/13/2023	
Additional Review (as necessary)	5/24/2023	
Additional Review (as necessary)		
Additional Review (as necessary)		

**CEO Recommendation** 

**Brief reasoning for CEO Recommendations**