

Marshall Islands Building Energy Efficiency

Basic Information

GEF ID

10859

Countries

Marshall Islands

Project Title

Marshall Islands Building Energy Efficiency

GEF Agency(ies)

IUCN

Agency ID

IUCN: P03987

GEF Focal Area(s)

Climate Change

Program Manager

Satoshi Yoshida

PIF

Part I – Project Informatic

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

Please include all responses from IUCN in this review sheet. Please also highlight changes made in the Portal.

Oct 18, 2021: We note the changes of the project design.

Sep 22, 2021: Yes, if the project objective is to improve building energy efficiency in the country beyond government buildings. Please see comments on the project design and alternative scenario.

Agency Response

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Comment cleared.

Oct 18, 2021: Thank you for the revisions including the project title. Please make sure the component titles are the same as those in the

alternative scenario.

Sep 22, 2021: Please address the below comments as well as the comments in alternative scenario below.

- The project title is “Marshall Islands Government Energy Efficiency” while the project objective aims to improve energy efficiency of all buildings rather than just governmental buildings. As such, please explain the rationale of the title and clarify if it is in line with project objective and structure. (If the title is amended, an email confirmation from the OFP on the modification or a revised letter is required.)
- The project objective can be clarified with some modifications such as “To improve energy efficiency in the building sector in Marshall Islands to reduce greenhouse gas emissions and help achieve the net zero emission target.”
- Please remove indicators from table B (or move to alternative scenario) and leave outcomes and outputs only and utilize them for drafting project results framework at a later stage.
- Component 1: this is about enabling activities and policy for energy efficient buildings in RMI. Outcome 1.1 is in line with the component. However, the outputs focus solely on government buildings. Please expand the scope of outputs to all buildings and revise all outputs.
- 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 houses, addressing existing barriers on such concessional financing and schemes.
- Component 2: The investment focuses on government buildings. 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.
- Please clarify the envisaged budget allocation to KM and M&E respectively from both GEF funding and co-financing as the total budget from GEF funding is about 10% of total funding and equivalent to Component 1.
- Please add submission date on the portal.

Agency Response

08 October 2021

- While the intent of the original project was to focus on government buildings as demonstrations, we have changed the title to “Marshall Islands Building Energy Efficiency”
- The project objective has been modified as suggested.
- Indicators have been removed. With other projects, we had been requested to include them at this stage.
- The scope of the buildings has been expanded to include private sector. As this is a major change in the project at a late date, this will be fully articulated during the PPG phase including consultations with the private sector.
- Output 1.1.3 has been strengthened beyond awareness to review and revise an existing loan programme for households and develop products for the private sector in RMI. This will be elaborated on during PPG phase
- Component 2 – Outcome 2.1 now includes private sector in auditing activities. Outcomes 2.2 and 2.3 remain focussed on demonstrations with government buildings. Outcome 2.4 specifically includes private sector entities in capacity building achievements. The Outcome on awareness has been moved to Component 1 as an enabling activity. A new Outcome 2.5 has been added to work with selected private sector entities to develop articulated and costed plans for their building energy efficiency.
- KM and M&E budget has been revised. The envisioned comms products developed in this Component have been moved to Outcome 1.2 with respective budgets.
- Portal submission date has been filled in

Agency response to Oct 18 GEF Sec review comment: – Thank you. We have checked and revised the table.

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Comments cleared.

Oct 18, 2021: We note the additional co-financing from WB. Please again clarify who is providing co-financing relating to EU EDF11 and WB as these seem ongoing parallel co-financing that do not come from the government dedicatedly allocated to this project. Please add descriptions on WB co-financing in the section on how investment mobilized identified.

Sep 22, 2021: We note that co-financing ratio is below 1:1 for this project. However, given that currently no effective financial mechanisms to transform non-public buildings into highly-energy efficient buildings are considered under the project, it appears difficult to achieve the project objective even though relevant policy and regulations will be improved by the project. As such, it is recommended to mobilize other financial sources to ensure the project interventions will be effective and sustainable and to enable the implementation of policy and plans in particular for non-government buildings, which are currently not covered by Component 2.

Based on the description on co-financing of EU EDF 11 programming, it seems an independent, parallel co-financing and it is thus not clear if the Government provides co-financing instead of European Union's fund in the table C. Please explain who will provide actual co-financing.

Agency Response

08 October 2021

- While RMI does not have access to other financial mechanisms, the project has been expanded to work on improving financial mechanisms for private sector implementation of energy efficiency.

- The government has agreed to include co-financing from World Bank funding for energy projects that have some EE components as well.
- The government currently has energy projects with World Bank and EU. They originally committed some of the EU funds as co-financing (\$1,500,000). They also committed some of their National Energy Office national budget (\$500,000) as co-financing. This should be clear now.

Agency response to Oct 18 GEF Sec review comment:

Apologies for the confusion. We have changed EU and WB co-financing to “Donor Agency” and listed the sources as EU and WB with respective projects. The WB co-financing identification has been added.

GEF Resource Availability

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

Secretariat Comment at PIF/Work Program Inclusion Yes.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion Yes.

Agency Response

Agency response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

The LDCF under the principle of equitable access?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion Yes.

Agency Response

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the corresponding Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Comment cleared.

Oct 18, 2021: We note the changes in Indicator 11, which needs to be further assessed during the PPG phase. Please see remaining comments on the GEB section below on Indicator 6 and address discrepancies on numbers.

Sep 22, 2021: Please see the comment on the GEB section below. It is difficult to justify the GEF funding of over \$2 million with the current emission reductions, compared with other energy-related projects in SIDS. The duration of accounting – 4 years – is too short as the installed equipment/facility should be used much longer and can be replaced with more efficient one after their lifetimes given the regulatory reforms, in line with the GEF guidelines (see Guidelines on Core Indicators and Sub-Indicators (ME/GN/02)) on Indicator 6. Please revise indicator 6 and its sub-indicators with more detailed calculation under the GEB section. The number of “direct” beneficiaries is too large given the structure of the project. Please amend.

Agency Response

08 October 2021

- Direct beneficiaries has been reduced to be 30% of government employees and 15% of private sector employees across the country.

Agency response to Oct 18 GEF Sec review comment:

Noted and thank you. We will continue to revise the beneficiaries indicator during PPG.

Project/Program taxonomy

7. Is the project/program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comments cleared.

Sep 22, 2021: Please review to correctly reflect the project design. For instance, Energy Efficiency is not tagged (instead renewable energy is chosen). "Financial intermediaries and market facilitators" are chosen but the current project does not have such intervention.

Agency Response 08 October 2021. Noted. These have been rectified. Thank you.

art II – Project Justification

1. Has the project/program described the global environmental/adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Please add descriptions on energy efficiency on barriers.

Sep 22, 2021: Root causes and barriers are explained well while some barriers such as finance are related to renewable energy rather than energy efficiency. On the global environmental problems, please add more descriptions on the energy demand side (i.e. buildings and houses) that this project will address as well as the potential to improve.

The figure 3 clearly shows residential and commercial buildings consume more energy than governmental buildings, which need to be improved.

Agency Response

08 October 2021

Noted. This has been updated.

Agency response to Oct 18 GEF Sec review comment:

On Page 13 we have included some sentences (bolded below) to clarify that the barriers relating to renewable energy and energy efficiency in the Marshall Islands are very closely related.

"RMI's vision of achieving net-zero emissions by 2050 has a clear strategy and roadmap. **The roadmap outlines the strategy to develop renewable energy and energy efficiency across the country.** There are many technological and resource challenges to achieve the vision. Stages have been outlined with milestones at 2025 and 2030 to measure progress. **Barriers to implementing the roadmap relate to both energy efficiency and renewable energy improvements.**"

For specific barriers, please note the following:

Land barrier (page 13): We added: "Energy efficiency improvements will help to reduce the total energy demand and reduce the need for additional land space to develop renewable energy resources."

Technological barriers already had included (page 13): "To achieve better energy efficiency of government buildings, there are challenges in establishing standard audit procedures and process and data management. Recommendations and regulations on procurement and installation of energy efficient appliances are needed to help the government make decisions on which appliances to purchase and install." There was no further addition.

Human capacity barriers (page 14): We note that the human capacity barriers in RMI are universal due to the very small population of the country and the dispersed nature of the population. We have added a sentence: "These are supported by improvements in energy efficiency which will reduce overall demand for energy."

Financial barriers already discussed energy efficiency and no further changes were made. (page 14)

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comments cleared.

Sep 22, 2021: Please describe what are existing policies and regulations relating to improving energy efficiency of buildings (both public and private) and the trend of emissions or energy consumption in the building sector in Marshall Islands. Please also add relevant projects in the pacific region including GEF-6 Micronesia's project, other than national projects.

Agency Response

08 October 2021

- Have included "RMI, through the Electricity Roadmap, has identified several important policy instruments for achieving its NDC commitments, including through energy efficiency. The Ministry of Environment was established in 2018 through the Ministry of Environment Act to include climate change and energy issues related to mitigation and adaptation. This was complemented by the National Energy Office Act 2018 to establish the government body responsible for achieving the Electricity Roadmap and other energy policies. An Energy Sector Management Act is currently under development with support from EU EDF11. In 2019, RMI included import tariff exemptions for energy efficient appliances in its Import Duties (Amendment) Act 2019. The National Building Code also includes some aspects of building energy efficiency but these will be reviewed and revised, as needed, under this project."

- Have included for regional and other projects the following "Regionally, there are several projects that focus on, or include, energy efficiency. These include:

GEF6 Federated States of Micronesia's "Micronesia Public Sector Building Energy Efficiency (MPSBEE) Project that will achieve (1) enforcement of policies and rules and regulations on the energy efficient and energy conserving design, retrofit, operation and maintenance of public sector buildings; (2) enhance management and monitoring of the energy performance of public sector buildings; (3) increase application of EC and EE technologies in public sector buildings and facilities; and (4) enhance awareness and knowledge on the cost-effective application of EE and EC technologies in public sector buildings.

Older projects include the REEEP Energy Efficiency, Auditing and Appliance labelling Programme (EEAAL) that included feasibility studies for appliance labelling programmes in Samoa and Vanuatu and energy auditing in Palau, RMI, and Vanuatu. The studies were published in 2010 without any follow up funding for implementation.

The Pacific Community (SPC) hosts the Pacific Centre for Renewable Energy and Energy Efficiency (PCREEE), which was established in 2018 and is based in Tonga. PCREEE was established by the Pacific Ministers of Energy and Transport as regional SE4ALL center of excellence operating under the umbrella of the Framework for Action on Energy Security in the Pacific (FAESP). Through regional methodologies and tools, the center assists PICTs to address existing barriers and strengthen drivers for sustainable energy markets, industries and innovation. The centre represents an innovative fusion of regional and international efforts and capabilities. Its design leverages a network of intra and extra regional partnerships, serving as a "hub" for knowledge and technical expertise on matters related to sustainable energy project development and implementation. UNIDO provides technical services and mentoring throughout the first operational phase of the centre. However, with the countries of Micronesia poised to leave the Pacific Islands Forum it is unclear how the PCREE mandate may apply to RMI after 2022."

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Please see the below comments for the PPG phase.

Overall: We note the ToC on the document. Please further improve it during the PPG phase. We would like to see further considerations on integrated renewable energy and energy efficiency in buildings (as mentioned in PIF, focus can be on new buildings) during the PPG phase as renewable energy in other projects are basically grid-connected.

Component 1: We note these changes. Please further develop financial mechanisms/models that cover private sector buildings during the PPG phase.

Component 2: We note these changes. Please develop selection criteria during PPG phase on NbS technologies that can be quantified in terms of emission reductions.

Sep 22, 2021: Please address the below points.

- Overall

ToC: This is rather a roadmap based on the 2018 energy roadmap, which is not based on this project's interventions. Please use an appropriate ToC diagram with root causes and barriers (e.g. financial and technical) that are listed in the PIF and will be addressed by the project, how such barriers are addressed with linkages with interventions and project outputs, and short- and long-term objectives. Please present a ToC that clearly shows transformation on building energy efficiency by this project.

- The alternative scenario does not adequately describe what barriers identified in the PIF each output will address to achieve the objectives. Please elaborate.
- The entire project design is exclusively for energy efficiency of buildings. Please explain why an integration with renewable energy, which seems not common in the buildings in RMI, was not considered in the project preparation phase to increase emission reductions.

- Component 1

As mentioned in the above box, focusing only on government buildings is difficult to be justified. Please strengthen the entire outputs including non-government buildings.

Output 1.1.1: This seems to focus on appliances as opposed to the energy performance of buildings (e.g. insulation and structure). Please clarify if a minimum energy performance is sufficient in setting standards.

Output 1.1.2: Please clarify how incentive scheme would work with a view to expanding to non-government buildings.

Output 1.1.3: This output is essential to sustainably increase building energy efficiency. While noting the importance of awareness raising, 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.

- Component 2

Output 2.2.1: Relating to the GEB calculation, please clarify the investment plan on air conditioning. The GEB calculation indicates that GEF funding will be used for replacing old 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. Please also describe how to minimize refrigerant releases to the air in replacing them.

Output 2.3.1: Please elaborate what NbS technologies are envisaged at this stage.

Agency Response

08 October 2021

- The TOC diagram and narrative have been revised and included in the PIF document and portal.

- Each component has been linked, in the narrative, to the barrier to be addressed. We note that these links were made in the barrier section but are not more explicit in each component.
- RMI is addressing renewable energy through other donors and projects. The National Energy Office was aware of the public sector EE project being conducted under GEF6 in neighbouring Federated States of Micronesia and felt that such a project fit well with the electricity roadmap and wanted to conduct a similar project.
- Component 1. Private sector considerations have been included in Component 1 outputs.
- Output 1.1.1 has as its first activity to work on the national building code – this will include insulation and structure. Other parts of this activity focus on the government buildings and government procedures.
- Output 1.1.2 – as the expansion of this to the private sector is new, we suggest exploring these incentives during the PPG phase. This has been included in the narrative. Thank you.
- Output 1.1.3 – This has been strengthened to include development of financing products with the electricity companies and the Marshall Islands Development bank to develop loan products and financing for private sector companies. Because the initial project was developed primarily for public sector buildings, specific financial models have not been explored but will be considered during PPG phase.
- Component 2
- Output 2.2.1 – GEB calculation has been revised. Please see revised Core Indicators Worksheet uploaded to portal.
- Output 2.2.2 – Noted that GEF is not financing the entire procurement. These demonstration projects will assist the government to understand and plan for full retrofits as noted in the output description and that one of the outputs is a full retrofit plan and financing plan.

...and plan for maintenance as noted in the output description and that one of the outputs is a maintenance plan and financing plan...

- Output 2.3.1 – As mentioned in the PIF document the NbS aspects will focus on landscaping and tree planting around buildings to provide shade and reduce the need for more air conditioning. “Landscaping around government buildings and planting trees on the east

and west sides of buildings can increase the shade in the area and reduce the heat island effect. This can also give habitat to birds and important pollinators that are required for community gardens on Majuro. This output will (a) develop guidelines for NbS for energy efficiency landscaping and tree planting on Majuro; (b) evaluate government buildings for landscaping and tree planting suitability; (c) demonstrate NbS for EE in key government buildings; (d) combine landscaping and tree planting with freshwater capture from roof tops.” We feel that this is an innovative aspect of the project and some details will be worked out during PPG

Agency response to Oct 18 GEF Sec review comment:

Comments for PPG phase are noted. Thank you. We will take these into consideration.

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

Sep 22, 2021: Yes. Please see the comments in the project design.

Agency Response Noted

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

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Comment cleared.

Oct 18, 2021: We note the contributions from co-financing. However, we note the descriptions on the incremental cost reasoning remain the same. Please briefly describe the incremental cost reasoning from the baseline and co-financing. Again, climate finance is not the incremental cost reasoning.

Sep 22, 2021: Please clearly explain incremental cost/additional values from the baseline, as stipulated in GEF/C.31/12. Climate finance is

not a basis for incremental cost reasoning. Please also explain the contribution from co-financing from EU EDF11.

Agency Response

08 October 2021

We have included a table that clarifies the incremental cost reasoning from EU and World Bank funding. The table also explains further the EU EDF11 financing.

Agency response to Oct 18 GEF Sec review comment:

Additional explanation on incremental cost reasoning has been added to the PIF. The references to climate finance have been removed.

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Comments cleared.

Oct 18, 2021: Thank you for the revisions and we welcome the increase of GEBs. However, 22,126t and 117,058t of direct and indirect emission reductions under the core-indicators are not the same as numbers described here. Please clarify which belongs to direct or indirect emission reductions. Also, for instance, please note that AC installation during the project period can be replaced after lifetimes supported by the mechanisms established by this project and additional deployment can be achieved through financial mechanisms this project will develop, while not all future deployment of efficient ACs in the country will be considered as direct emission reductions. Also, please note that if NbS technologies and energy efficient equipment are installed in the same building, the total emission reduction will be changed (smaller than the combined). As such, please further improve the GEB calculation during PPG phase.

Sep 22, 2021: Please see the comments on the indicator. Also, please clarify what are included in the calculation of GHG emission reductions through Component 1 and 2. For instance, how much GHG emissions will be reduced through policy and regulatory reforms under Component 1 (either direct or indirect), and which equipment and measures are envisaged other than AC (assuming component 2 is not installing ACs only).

Please also mention the impact of the project vis-à-vis the NDC target or the net zero emissions target, as appropriate. Some tables are not readable. Please replace them with correct tables.

Agency Response

08 October 2021

The GHG emissions have been updated and included in the Core Indicators worksheet and in the PIF GEB section. Thank you for guidance.

Agency response to Oct 18 GEF Sec review comment:

We have clarified the indirect and direct GEBs in the PIF document and Core Indicators worksheet. We note the need for further refinement during PPG.

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comments cleared.

Sep 22, 2021: On innovation, please refer to innovativeness of schemes and regulatory and financial mechanisms to enable adoption of energy efficient buildings beyond governmental buildings.

Please include the role of knowledge management to ensure sustainability and promote scaling up.

Agency Response

We understood from our initial review that the GEF was very happy with the NbS aspects of the innovation of this project. We have added language to the innovative nature of the regulatory and financial mechanisms.

Knowledge management has been included in the Sustainability and Scaling Up sections.

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

Secretariat Comment at PIF/Work Program Inclusion

Yes. Please indicate pilot project sites at the CER stage.

Agency Response

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Justifications and a future engagement plan are provided. Comments cleared.

Oct 18, 2021: We take note of the updates to the information provided in section on stakeholder engagement. This additional information, however, does not explain and or provide any justification on why broader stakeholder groups have not be consulted. Please provide some justification on why important stakeholder groups like CSOs, IPCL, at least, have not been consultation in project design and provide some additional plans/reassurance on the process to engage and consult them during project preparation (pleased be advised also that the project will need to develop and provide a stakeholder engagement plan prior to CEO endorsement).

Sep 22, 2021: The first paragraph is irrelevant to "If none of the above, please explain why," assuming there was a consultation with CSO and private sector entities as indicated.

Please describe how the listed stakeholders will be engaged in the preparation phase. Also, please add private sector entities (technical and financial) and other relevant stakeholders to be engaged in Component 1. Some descriptions in the table are not clear in terms of their roles under the project and seem not updated (e.g. links to the Kyoto Protocol). Please revise.

PIF should further elaborate on which stakeholders groups have been consulted as well as to which extend they have contributed to the development of the PIF.

Agency Response

08 October 2021

The wrong box was checked. Apologies for this. It has been rectified.

Private sector and finance have been included.

PPG phase considerations are included.

he descriptions have been updated.

Agency response to Oct 18 GEF Sec review comment:

Because of the limited number of stakeholders in the original project design, no further consultations were conducted. With the expansion of the project scope upon review, we note the need to consult with private sector and other stakeholders during PPG phases. These consultations will be conducted during the PPG phase and will include government ministries, the Marshall Islands Chamber of Commerce, and key private sector entities that have significant buildings. NGOs, CSOs and community organisations will also be consulted.

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comments cleared.

Sep 22, 2021: While some general descriptions on promotion of gender equity and women's empowerment are described, there is not adequate information on the sector specific information on gender (building energy efficiency and impacts to women/women's participation). Please add such information and how the project will ensure gender equality and women's empowerment.

Also, please elaborate how the project will formulate a gender action plan with gender-responsive measures and gender-sensitive indicators given the identified gender context during the preparation phase.

Agency Response

08 October 2021

The gender section has been expanded to include recent gender analyses and data for RMI.

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Comment cleared.

Oct 18, 2021: Thank you for the revision on Component 2. Please reflect changes in Component 1 in this section in terms of financial mechanisms/models.

Sep 22, 2021: While envisaged private sector engagements are provided, it is not sufficient to achieve the project objective in the long-term. In particular, both public and private finance are essential to enforce policy and regulations to increase energy efficiency in private buildings.

Agency Response

08 October 2021

The engagement with private sector has been increased through:

- Component 1 has strengthened several outcomes to include private sector considerations in enforcement and incentives for building EE, and the finance Output has been strengthened.
- Component 2 has been strengthened with a new Outcome on moving government building lessons to the private sector.

These will be further explored and strengthened during the PPG phase considering that they have been added to the project at the last minute.

Agency response to Oct 18 GEF Sec review comment:

We have separated Components 1 and 2 in this section and additional text has been added to the Component 1 section.

Risks to Achieving Project Objectives

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comments cleared.

Sep 22, 2021: Please consider the below additional risks with potential measures, as appropriate, while these can be further elaborated during the project preparation stage.

More detailed COVID-19 risks and opportunity and climate risks need to be provided. COVID-19 risks should include impacts on communication and workshops/meetings as well (on both portal entry and the COVID-19 risks and opportunity analysis).

Commitment risks: Political will and government's priorities may change overtime and the project may not be able to mobilize necessary resources and commitments.

Operational risks: There are risks of poor O&M of installed equipment (including NbS technologies) under Component 2 along with associated disaster risks.

Environmental risks: Environmental impacts (including waste and GHG emissions) by transportation of goods and construction and decommissioning old equipment (air conditioners) through the Component 2 would need to be mitigated, including old refrigerants by replacing old air-conditioners. Please provide mitigation measures as well.

Low participation risks: There are risks that both private sector entities will not be engaged as expected, on top of public entities listed in the table.

Agency Response

08 October 2021

The risks have been updated as suggested. Thank you.

Coordination

**Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined?
Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?**

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comment cleared.

Sep 22, 2021: On institutional arrangement, please note that the Implementing Agency is not allowed to support execution of this project. Please include other relevant project listed under the base line scenario under coordination section.

Agency Response

08 October 2021

This is noted and has been clarified. Thank you.

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

Knowledge Management

Is the proposed “knowledge management (KM) approach” in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project’s/program’s overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

Oct 18, 2021: Comments cleared.

Sep 22, 2021: Please describe how existing lessons and best practices informed the project concept and a plan to learn from ongoing relevant projects and initiatives to capture and assess best practices and knowledge.

Also please clarify what tools/platforms will be used to collect and disseminate domestically and internationally knowledge generated during the project.

Please elaborate how knowledge and learning will contribute to overall project’s objective, the sustainability and scaling up with potential knowledge products.

Agency Response

08 October 2021

The Knowledge management section has been elaborated.

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 PIF/Work Program Inclusion

Yes.

Agency Response

art III – Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

Agency Response

EFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

Oct 27, 2021: Remaining comments cleared.

Oct 18, 2021: Please address the remaining comments. Please add responses in this review sheet.

Sep 22, 2021: Please address all comments above.

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

Please see comments above requesting further development during the PPG phase.

Review Dates

PIF Review Agency Response

First Review
Additional Review (as necessary)

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval