

Accelerating the transition to electric public transport in the Greater Metropolitan Area of Costa Rica

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10284

Countries

Costa Rica

Project Name

Accelerating the transition to electric public transport in the Greater Metropolitan Area of Costa Rica

Agencies

UNEP

Date received by PM

11/30/2020

Review completed by PM

3/8/2021

Program Manager

Milena Vasquez

Focal Area

Climate Change

Project Type

MSP

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

12/21/2020: Yes, the project remains aligned with CCM 1-2. Please address comment below:

Is it possible for you to add "Government" as well to the executing partner type?
Otherwise, as CRUSA will be the main executing agency, please remove reference to Ministry of Environment and Energy.

2/16/2021: Cleared.

Agency Response 02/10/2021. It was not possible to add two executing agencies, so we have removed reference to the Ministry of Environment and Energy as instructed.

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

12/21/2020: Overall, the project structure and design is appropriate. Please address comments below:

Outcome 1 - "The Government demonstrates enhanced coordination and promotes electric mobility" does not really encompass the aim of this component, in particular of output 1.1, which is focused on capacity-building of key stakeholders outside of the government. Suggest it is redefined.

Outcome 3 - "Taxi drivers demonstrate willingness to purchase electric vehicles" also does not encompass the different outputs in this component, which includes standards for regulations for vehicles beyond taxis as well as roadmaps for public transportation, which also include buses. Please redefine. Note that other projects sometime have separate outcomes within the same component to align the outputs better.

Monitoring and evaluation - Please complete the entry for this component, including financing type, expected outcomes, outputs, etc.

Cofinancing for PMC is too low. Per GEF guidelines, cofinancing for the PMC should be proportional to that of the GEF (in terms of %).

2/16/2021: Comments above have been addressed. While cofinancing for PMC is still below the % of the GEF, PM appreciates increase and understands difficulty in teaching the same proportion considering high level of cofinancing which will support on the ground investments.

Agency Response

02/10/2021

1. Outcome 1. Updated.
2. Outcome 3. Updated. The first two outputs aim to achieve a change in behaviour of taxi drivers and owners, leading them to purchasing electric vehicles. The third output aims to achieve a change in behaviour of public transport fleet operators, leading them to electrifying their fleets.
3. M&E. Unchanged following discussions with the GEF secretariat.
4. PMC co-financing. The PMC co-financing has been increased 220% due to revised contributions from two partners and a new contribution. It is close to the overall ratio. In light of the COVID pandemic and the economic crisis affecting Costa Rica, this increase is the maximum that such partners have been able to commit in this context.

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

12/21/2020: Yes, co-financing of \$8,007,290, including \$7,688,290 of investment mobilized, has been confirmed.

3/2/2021: Please address additional comments below:

? Letter from GIZ indicates that their co-financing project would no longer be available (project has ended). Please confirm the availability/timing of this support ? if still available, a new co-financing letter would be needed, otherwise it would have to be removed.

? Please note that as per the GEF guidelines, ?public investment? is from the recipient governments only. Please revise co-financing from the private sector as ?grant? (even if the letter indicates ?public investment?).

? Thank you for the translation for the co-financing letter from the Ministry of Public Works and Transport. The link in the Portal goes to the Spanish version, if possible update this.

3/8/2021: Comments cleared.

Agency Response

3/3/2021:

1. The GIZ co-financing has been removed from the project and CEO endorsement document;
2. Public investment has been changed to grant for ESPH;
3. Updated.

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

12/21/2020: Yes

3/2/2021: Agency fee in the parent PFD's table D is \$78,904 which is lesser than fee indicated in this child project CEO approval entry at \$79,688 ? please amend.

3/8/2021: Comments cleared.

Agency Response

3/3/2021: Fee in child project CEO updated.

3/19/2021: Updated the agency fee in the portal, to make it consistent with the CEO document.

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 12/21/2020: Yes

Agency Response

Core indicators

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

Secretariat Comment at CEO Endorsement Request 12/21/2020: Yes, core indicator targets remain realistic and methodologies have been provided.

Agency Response

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

12/21/2020: yes, the global environmental and national root causes and barriers have been well elaborated.

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

12/21/2020: Yes, the baseline scenario is well elaborated.

Agency Response

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

12/21/2020: The proposed alternative scenario is well described. Please address comments above regarding outcomes under component 1 and 3. In addition, please see comments below:

Output 1.2 - This output is focused on expanding the Costa Rican Committee for Electrification, which was described in the baseline scenario as the "technical" group that is supporting coordination of the implementation of the National Electric Transport Plan. However, the political group led by the Office of the First Lady of the president of the Republic also has an important role in coordinating national decision-making. How will the project work with and/or feedback information/data/lessons to influence this second group? Could there be a specific deliverable added to ensure information is shared with this group?

Output 3.1. - The deliverables in this output are focused on reports and one workshop. Are there any plans to produce additional outreach materials and/or use alternative methods of communication to support the wider adoption of electric vehicles for taxi drivers (airport routes and beyond)? Will the financial institutions involved carry out this outreach?

Output 4.1 - This component and output are focused on practices and regulations for the management of electric vehicles at end-of-life; however, there is also an opportunity to develop new business models. Consider exploring the potential for outreach to additional private sector actors to co-develop new business models to go hand in hand with the regulatory aspects of this component.

2/16/2021: Cleared.

Agency Response

02/10/2021

Output 1.2. This is a good point; thanks for the suggestion. We have revised output 1.2 and D.1.2.2 to ensure this occurs (we have not added a new deliverable but modified an existing one).

Output 3.1. The intention is that such outreach and communication is undertaken through output 1.1, deliverable D.1.1.1. This output and a related deliverable have been updated to reflect this. The financial institutions have expressed interest in carrying out such outreach as it may lead to increased demand for their products. Furthermore, the enhanced MINAE public e-mobility online platform will also play a key role in disseminating information to incentivize the wider adoption of electric vehicles, including for taxi drivers. Output 1.2 has been revised to note this.

Output 4.1. This is duly noted. Output 4.1 has been revised to charge the multi-stakeholder working group of output 1.1 with exploring options to develop business models through mobilized investment (for instance, through private sector and possibly with the support of other international cooperation agencies). This will be included in the group's terms of reference, to be developed through deliverable D.1.2.1. Such work will draw on the private sector's participation in the multi-stakeholder group.

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

Secretariat Comment at CEO Endorsement Request

12/21/2020: Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

12/21/2020: Yes, the incremental reasoning is well explained throughout and summarized here.

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

12/21/2020: Yes.

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

12/21/2020: Yes.

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

12/21/2020: Georeferenced information for the locations of demonstrations have been provided.

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

12/21/2020: Yes, reference is made to the LAC regional platform. It would be useful to add specific information as to the thematic working groups relevant for this project as well. It would also be useful to summarize how this project will contribute to the wider program.

2/16/2021: Cleared.

Agency Response

02/10/2021. Information added.

03/03/2021. Section slightly updated following GEF Sec comments on the global e-mobility project.

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

12/21/2020: Yes, a stakeholder consultation report has been provided. There is an adequate stakeholder engagement plan.

Agency Response

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

12/21/2020: Yes, a gender analysis has been carried out and an informed gender action plan developed with accompanying indicators.

Agency Response

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

12/21/2020: Yes, private sector is a key stakeholder in the implementation of this project, in particular the taxi operators that will participate in this pilot. In addition, financial institutions will be involved in the development of financial products and services to support the financing of new electric vehicles.

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

12/21/2020: General risks and measures have been elaborated.

Climate risk assessment: Thank you for providing an assessment of the key climate risks to the project and proposed measures. We're hoping to see a more systematic climate risk assessment however. Please consider how climate risk and resilience considerations will be mainstreamed in the roadmaps that will be developed under Output 3.3. Please develop further.

COVID risk and opportunity analysis: Please comment on any specific recovery packages the government is planning (if any) and whether investment in EVs may be relevant. Please consider whether supply and procurement of vehicles and/other technology may be impacted.

2/16/2021: Cleared.

Agency Response

02/10/2021.

1. A more systematic risk assessment has been included.
2. COVID risk and opportunity analysis updated.

Coordination

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

Secretariat Comment at CEO Endorsement Request

12/21/2020: Yes, the institutional arrangements have been described. CRUSA, a CSO, will be the executing agency. The project will coordinate with ongoing baseline projects and initiatives, including the efforts to expand electric buses. The project will also coordinate with the Global E-Mobility Program also implemented by UNEP.

Agency Response

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

12/21/2020: Yes, the project is in line with national strategies and priorities and with Costa Rica's GHG mitigation goals.

Agency Response
Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

12/21/2020: 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

12/21/2020: Please clarify in the table provided where there additional \$10,000 (\$40,000 in total - \$30,000 for TE) would be allocated. Based on the budget table, it appears to be part of the fees for the chief technology advisor. This should be clear in the M&E table and match what is in the budget table (\$40,001?) and the ProDoc (\$75,000?).

2/16/2021: Cleared.

Agency Response 02/10/2021. Clarification added. M&E through-out document has been made consistent = \$40,000.

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

12/21/2020: Yes, additional benefits have been described.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

12/21/2020: Please make sure all annexes fit to the page so it can be legible in PDF downloadable version.

2/16/2021: Cleared.

Agency Response 02/10/2021. Done.

Project Results Framework

Secretariat Comment at CEO Endorsement Request 12/21/2020: Yes, the project results framework has been provided.

Agency Response

GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

12/21/2020: Yes.

Agency Response

Council comments

Secretariat Comment at CEO Endorsement Request 12/21/2020: Please copy paste these onto the portal.

Agency Response 02/10/2021. Done.

STAP comments

Secretariat Comment at CEO Endorsement Request 12/21/2020: Please copy paste these onto the portal.

Agency Response 02/10/2021. Done.

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 12/21/2020: Yes

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request 12/21/2020: 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?

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.

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?

Secretariat Comment at CEO Endorsement Request

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

12/21/2020: Please address comments above. Also, please make sure to use the same font throughout for better legibility.

3/2/2021: Please address additional comments on co-financing and agency fee.

3/8/2021: Comments cleared. PM recommends technical clearance.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	12/21/2020	
Additional Review (as necessary)	2/16/2021	
Additional Review (as necessary)	3/2/2021	
Additional Review (as necessary)	3/8/2021	
Additional Review (as necessary)		

CEO Recommendation

Brief reasoning for CEO Recommendations