Enabling Next Generation Energy Finance for Vanuatu?s National Green Energy Fund (eNGEF)

Review CEO Approval and Make a recommendation

Basic project information

GEF ID
12303
Countries
Vanuatu
Project Name
Enabling Next Generation Energy Finance for Vanuatu?s National Green Energy Fund (eNGEF)
Agencies
UNDP
Date received by PM
3/10/2026
Review completed by PM

Program Manager
Patricia Marcos Huidobro
Focal Area
Climate Change
Project Type
MSP

CEO Approval Request

Part I - General Project Information

1. a) Is the Project Information table correctly filled, including specifying adequate executing partners?

Secretariat comment at CEO Endorsement Request
5/12/2026 PM:

Cleared.

3.25.2026 PM:

Not cleared. Please remove UNDP as executing entity as this role has not been approved by the GEF Secretariat yet as required by the GEF policy. The following comments related to the execution support services shall be addressed:

•The HACT, dated in 2024, is outdated according to the new dual role exception waiver process as outlined in the updated Guidelines which requires a HACT conducted nor more than 6 months after the agency?s formal consultation with the GEF Secretariat. We realize the requirement for 6 months from submission of CEO endorsement/approval documents may be a bit strict, and there could be some flexibility in here, but not for a HACT that was conducted 2 years ago.
• The HACT identified 3 material findings, with one being rated Significant (Organization ? pending legal actions), and two as moderate (anti-fraud / anti-corruption; internal audit). To deal with the Moderate ones first: in the HACT, EY indicates (p. 5) that despite these findings, the entity still has acceptable systems and processes, and recommends remedial actions. It is important to note here that the GEF risk appetite (p. 5-6) for execution risk is moderate, meaning the GEF will tolerate projects that present moderate execution risks. All GEF Agencies must apply risk mitigants to deal with perceived and potential risks, including for execution risk. Working with the executing agency and the suggested remedial actions during PPG phase may well address these two concerns.
The Significant finding regarding any ongoing legal actions seems to be addressed since the entity confirmed ? albeit belatedly ? that there were no ongoing legal actions and that the AG would be able to make such a legal representation. An updated HACT finding here will be important.

• The memo also mentions the post-natural disaster situation in Vanuatu. Again, similar to the HACT measuring EA capacity, such a designation would require a specific assessment of the post-disaster context and how it will impact project execution (see Guidelines p. 55-56).

Agency Response
2nd Review
1. UNDP has been removed as executing entity. At this stage, the project has been adjusted to National Implementation Modality with MoCC as the Executing Entity.

1st Review

1. This is still pending and will be finalized once the implementation strategy has been agreed upon and approved by the GEF Secretariat.

b) Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat comment at CEO Endorsement Request
5/11/2026 PM:

Cleared.

3.25.2026 PM:

Not cleared. The project has been tagged as Rio Marker CCA1 which makes sense given the adaptation benefits of the technologies proposed. However, adaptation co-benefits of the project shall be better mainstreamed into the project narrative including in the Theory of Change.

Agency Response
1st Review

Adaptation co-benefits have been better mainstreamed in the project narrative and the ToC.

2. Project Summary.
a) Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected results?
b) Does the summary capture the essence of the project, is well written and is it within the max. of 250 words?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
3. Project Description Overview
a) Is the project objective presented as a concise statement and clear?
b) Are the components, outcomes, and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?
c) Are gender dimensions, knowledge management, and M&E included within the project components and appropriately funded?
d) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?
e) Is the PMC equal to or below 10%? If above 10%, is the justification acceptable?

Secretariat comment at CEO Endorsement Request
5/11/2026 PM:

Cleared.

3.25.2026 PM:

Cleared with comments. Please spell out the acronyms in the project objective: *"To increase NGEF?s ability to upscale financing of RE/EE installations so it effectively and efficiently supports the NERM and NDCs".*

Agency Response
1st Review

1.Acronmys in the objective are now spelled out.

4. Project Outline
A. Project Rationale
a) Is the current situation (including global environmental problems, key drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective and adequately addressed by the project design?
b) Have the role of stakeholders, incl. the private sector and local actors in the system been described and how they will contribute to GEBs and/or adaptation benefits and other project outcomes? Is the private sector seen mainly as a stakeholder or as financier?
c) If this is an NGI project, is there a description of how the project and its financial structure are addressing financial barriers?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
5 B. Project Description
5.1 a) Is there a concise theory of change (narrative and an optional schematic) that describes the project logic, including how the project design elements are contributing to the objective, the identified causal pathways, the thrust and basis (including scientific) of the proposed solutions, how they provide a robust solution and listing the key assumptions underlying these?
b) Is there a description of how theGEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region?
c) Are the project components (interventions and activities) described and proposed solutions and critical assumptions and risks are properly justified? Is there an indication of why the project approach has been selected over other potential options?
d) Incremental/additional cost reasoning: Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12? Has the baseline scenario and/or associated baseline projects been described? Is the project incremental reasoning provisioned (including the role of the GEF)? Are the global environmental benefits and/or adaptation benefits identified?
e) Other Benefits: Are the socioeconomic benefits resulting from the project at the national and local levels sufficiently described?
f) Is the financing presented in the annexed financing table adequate and demonstrate a cost-effective approach to meet the project objectives? Are items charged to the PMC reasonable according to the GEF guidelines?
g) How does the project design ensure resilience to future changes in the drivers and adaptive management needs and options (as applicable for this MSP)?
h) Are the relevant stakeholders (including women, private sector, CSO, e.g.) and their roles adequately described within the components?
i) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component description/s?
j) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?
k) Policy Coherence: Have any policies, regulations or subsidies been identified that could counteract the intended project outcomes and how will that be addressed?
l) Transformation and/or innovation: Is the project going to be transformative or innovative? Does it explain scaling up opportunities?

Secretariat comment at CEO Endorsement Request
5/11/2026 PM:

Cleared.

3.25.2026 PM:

Not cleared. Please address the following comments:

i) If possible, please include the deliverables expected under each outcome.

ii) Please include coordination with GEF project 12229- Global program on renewable energy systems in SIDS led by UNIDO as there are a lot of areas of overlap which could benefit both projects.

iii) Likewise, it seems the project could also benefit from the lessons learned and experiences under the GEF-funded Africa Mini Grid Program led by UNDP particularly on the establishment a long-term and sustainable financing mechanism.

iv) Output 2.3, which focuses on the design of an inclusive financial instrument, is critical to ensuring the long-term sustainability of the proposed project, including beyond the duration of Green Climate Fund (GCF) support. In this regard, further clarification is needed on the sources and adequacy of existing annual domestic contributions. Specifically, it would be important to detail where these contributions originate (e.g., national budgets, sectoral allocations, ...), and whether they are currently sufficient to support the intended scale of interventions. .

Moreover, the proposal should elaborate on how the project will establish and sustain reliable revenue streams over time to ensure continued implementation and scaling. This could include mechanisms such as cost-recovery models, user fees, blended finance approaches, or leveraging private sector participation. A clearer articulation of the financial sustainability strategy would strengthen the overall credibility and replicability of the intervention.

In addition, there appear to be notable overlaps between Outputs 2.3 and 3.2, particularly in relation to financial structuring and resource mobilization. The proposal would benefit from a more explicit delineation of the scope and objectives of each output, including how they complement each other.

v) It is well noted that a stakeholder engagement plan (SEP) has been provided. However, the SEP should better elaborate on the different roles of project stakeholders related to project components and activities, including project plans and means to engage and consult specific local communities and NGOs and civil society groups, including women and youth groups in project implementation.

vi) Please ensure that knowledge products developed capture lessons learned in advancing gender equality and promoting women?s empowerment, and that these are widely disseminated. Likewise, regularly report on gender-specific results, including on the progress in implementing the Gender Action Plan, in PIRs, MTR and TE.

Agency Response

1st Review

1. Deliverables for each Outcome have been included under each Outcome in the Project Description

2. Coordination and sharing of lessons learnt and experience with the GEF AMP and the GEF project 12229 has been added to the project (Output 3.5)

3. More detail has been provided on the income streams of NGEF in section A of the proposal (p.8). As of 2022 (last publicly available financial statement), NGEFs cash reserves were at VUV 222 mio (USD 1.9 mio). NGEF?s cash receipts in 2021 and 2022 were at VUV 143 million (coming from contributions from a Government Fund, capitalized through a levy on

electricity concessions in Port Vila and Luganville (Council of Ministers (Decision Number 128/2018), and income from principal and interest payment on the loans. NGEF?s operating and administrative expenses in 2021/2022 were at ca. VUV 20 million, leaving roughly VUV 120 million (ca. USD 1 million) available annually for the implementation of financial products, sufficient to support the intended scale of interventions.

4. The revised proposal aims to better articulate mechanisms that contribute to long-term financial sustainability and revenue generation. The proposal has been revised to more clearly describe how the project will establish and sustain reliable revenue streams over time. Specifically, in addition to leveraging existing government revenue streams, including electricity levy-based contributions to NGEF, which provide a stable and predictable funding base, the project supports financial sustainability through

? Strengthening NGEF?s revolving fund model, including improved repayment systems, digital payment tools, and partnerships with financial intermediaries to enhance loan recovery and capital reflows (Outcome 1).

? Diversification of revenue-generating investments, through an increased (and more inclusive) customer base (Outcome 2) and by supporting female entrepreneurs, small businesses, farmers to help them understand and assess alternative renewable energy options, develop proposals and maximize the productive use of energy (Output 2.5)

? Blended finance approaches, including concessional loans, capital subsidies, and performance-based payments to crowd in private sector participation while maintaining affordability (Output 3.4)

5. Outputs 2.3 and 3.2 address closely related aspects of the market system and have clarified their respective scope and complementarity in the revised proposal.

? Output 2.3 focuses on the design of financial instruments and financing mechanisms targeted at end-beneficiaries, such as households, smallholder farmers, SMEs, schools, and women-led enterprises. It addresses affordability and access by developing tailored financing solutions (e.g. concessional loans, guarantees, subsidies) and structuring how these are delivered through NGEF and its intermediaries.

? Output 3.2 focuses on the dimensions of the NGEF product catalogue, including the identification, standardization, and pre-approval of RE/EE technology packages and suppliers. It ensures that a pipeline of quality-assured, cost-effective, and scalable technology solutions is available for financing.

In different words, Output 2.3 defines how investments are financed, while Output 3.2 defines what is (pre-approved to be) financed. The proposal has been updated to more clearly delineate these roles and to highlight their complementarity.

6. The Stakeholder Engagement Plan (SEP) has been strengthened and now includes a dedicated section (No 35-37) detailing stakeholder roles and engagement by project component.

7. The project proposal has been updated in the relevant sections to confirm that the project will commit to these actions (Knowledge Management and Gender Equality and Women Empowerment)

5.2 Institutional Arrangements and Coordination with Ongoing Initiatives and Project.
a) Are the institutional arrangements, including potential executing partners, outlined on regional, national/local levels and a rationale provided? Has an organogram and/or funds flow diagram been included?

b) Comment on proposed agency execution support (if agency expects to request exception). Is GEF in support of the request?
c) Is there a description of coordination and cooperation with ongoing GEF and non-GEF financed projects/programs (such as government and/or other bilateral/multilateral supported initiatives in the project area, e.g.).

Secretariat comment at CEO Endorsement Request
5/12/2026 PM:

Cleared.

3.25.2026 PM:

Not cleared. Please remove UNDP as executing entity as this role has not been approved by the GEF Secretariat yet, as required by the GEF policy. The following comments related to the execution support services shall be addressed:

•The HACT, dated in 2024, is outdated according to the new dual role exception waiver process as outlined in the updated Guidelines which requires a HACT conducted nor more than 6 months after the agency?s formal consultation with the GEF Secretariat. We realize the requirement for 6 months from submission of CEO endorsement/approval documents may be a bit strict, and there could be some flexibility in here, but not for a HACT that was conducted 2 years ago.
• The HACT identified 3 material findings, with one being rated Significant (Organization ? pending legal actions), and two as moderate (anti-fraud / anti-corruption; internal audit). To deal with the Moderate ones first: in the HACT, EY indicates (p. 5) that despite these findings, the entity still has acceptable systems and processes, and recommends remedial actions. It is important to note here that the GEF risk appetite (p. 5-6) for execution risk is moderate, meaning the GEF will tolerate projects that present moderate execution risks. All GEF Agencies must apply risk mitigants to deal with perceived and potential risks, including for execution risk. Working with the executing agency and the suggested remedial actions during PPG phase may well address these two concerns.
The Significant finding regarding any ongoing legal actions seems to be addressed since the entity confirmed ? albeit belatedly ? that there were no ongoing legal actions and that the AG would be able to make such a legal representation. An updated HACT finding here will be important.

• The memo also mentions the post-natural disaster situation in Vanuatu. Again, similar to the HACT measuring EA capacity, such a designation would require a specific assessment of the post-disaster context and how it will impact project execution (see Guidelines p. 55-56).

Agency Response
<u>2nd Review</u>

1. . UNDP has been removed as executing entity. At this stage, the project has been adjusted to National Implementation Modality with MoCC as the Executing Entity.

<u>1st Review</u>

1. This is still pending and will be finalized once the implementation strategy has been agreed upon and approved by the GEF Secretariat.

5.3 Core indicators
a) Are the identified core indicators calculated using the methodology included in the corresponding

Guidelines (GEF/C.54/11/Rev.01)?
b) Are the project?s targeted contributions to GEBs (measured through core indicators)/adaptation benefits reasonable and achievable? Are the GEF Climate Change adaptation indicators and sub-indicators for LDCF and SCCF properly documented?

Secretariat comment at CEO Endorsement Request
5/11/2026 PM:

Cleared.

3.25.2026 PM:

Not cleared. Please address the following comments:

i) There are some inconsistencies across the document in the estimated CO2 reductions to be achieved under the project. Please ensure consistency throughout. We understand the correct number should be 11,198 tCO2e instead of 11,998 tCO2e.

ii) The 25-year life spam of the equipment seems a bit optimistic. Please considering using a more conservative number.

iii) Please upload the GHG spreadsheet so the GEF team can track the calculations.

Agency Response
<u>1st Review</u>

1. With a revised life-spam of equipment, the total direct and indirect GHG emission reductions have been changed to 8,959 tCO2e. This has been corrected throughout the CEO Endorsement Request, ProDoc and Indicator Sheet

2. The assumption of the life spam of equipment has been reduced to 20 years. The resulting total direct and indirect GHG emissions are estimated at 8,959 tCO2e. The documents have been updated accordingly.

3. The GHG spreadsheet with underlying calculations is included under Annex 17 ? Indicators, Spreadsheet 1.

5.4 Risks
a) Is there a well-articulated assessment of risk to outcomes and identification of mitigation measures under each relevant risk category? Are mitigation measures clearly identified and realistic? Is there any omission?
b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?
c) Are environmental and social risks, impacts and management measures adequately screened and rated and consistent with requirements set out in SD/PL/03?

Secretariat comment at CEO Endorsement Request
5/11/2026 PM:

Cleared.

3.25.2026 PM:

Not cleared. Please address the following comments:

a) Risk Assessment: On fiduciary risks, pleas define concrete milestones for financial oversight strengthening. On Institutional, please clarify MoCC/NGEF operational roles and staffing plan. On climate, please consider upgrading to Substantial; add adaptive management triggers.

c) Enviromental and Social Risks: Clarify how the project is consulted with local communities in rural areas who do not have access to electricity, particularly related to Component 2, and how the results of the consultations were integrated into the project design. Also, ensure that vulnerable populations including local communities in rural areas who do not have access to electricity as key stakeholders of the project and they can involve in the project as partners of project, particularly Component 2.

Agency Response

<u>1st Review</u>

1. The risk assessment has been strengthened with (i) concrete fiduciary milestones, (ii) clearer MoCC/NGEF roles and staffing support, and (iii) an upgraded Substantial climate risk rating, with corresponding updates in the risk assessment, SESP, and risk log, including adaptive management triggers.

2. The project design has been informed through consultations with key intermediary organizations that have extensive engagement with rural and off-grid communities. This includes NGOs and CSOs such as VANWODS Microfinance (women?s networks) and Youth Challenge Vanuatu (youth groups), which have direct reach to thousands of communities across Vanuatu. These organizations provided critical inputs on community needs, barriers to energy access, and financing constraints, and therefore served as representative channels for rural and underserved populations during project design.

These stakeholders were actively engaged throughout the design phase and participated in the project validation workshop in November 2025, where the project approach (including Component 2) was validated with their input.

In addition, UNDP?s ongoing initiatives in Vanuatu, including decentralized renewable energy interventions in remote areas such as Pentecost Island, have enabled continuous engagement with off-grid communities. Through these initiatives, community preferences, particularly of populations without access to electricity, are well understood, regularly consulted, and have directly informed the design of this project, including its focus on decentralized solutions, productive use of energy, and inclusive financing mechanisms.

The proposal has been updated to more explicitly reflect these engagement pathways and to clarify that rural, off-grid communities are key stakeholders and partners in project implementation, particularly under Component 2.

5.5 NGI Only: Is there a justification of financial structure and use of financial instrument with concessionality levels?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities
6.1 Is the project adequately aligned with Focal Area objectives, and/or LDCF/SCCF strategy?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors).

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
7 D. Policy Requirements
7.1 Are the Policy Requirement sections completed?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
7.2 Is the Gender Action Plan uploaded?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
7.3 Is the stakeholder engagement plan uploaded?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
8 Annexes
Annex A: Financing Tables
8.1 GEF Financing Table and Focal Area Elements: Is the proposed GEF financing (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):
STAR allocation?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Yes.

Agency Response
Focal Area allocation?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
LDCF under the principle of equitable access?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response

SCCF A (SIDS)?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
SCCF B (Tech Transfer, Innovation, Private Sector)?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
Focal Area Set Aside?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
8.2 Project Preparation Grant (PPG)
a) Is PPG reimbursement requested and if so, is it within the eligible cap of USD 50,000?
b) Is the use of PPG attached in Annex: Status of Utilization of Project Preparation Grant (PPG) properly itemized according to the guidelines?

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
8.3 Source of Funds
Does the sources of funds table match with the OFP?s LOE? Note: the table only captures sources of funds from the country?s STAR allocation

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

Cleared.

Agency Response
8.4 Confirmed co-financing for the project, by name and type: Are the amounts, sources, and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines? e.g. Have letters of co-finance been submitted, correctly classified as investment

mobilized or in-kind/recurring expenditures? If investment mobilized: is there an explanation below the table to describe the nature of co-finance? If letters are not in English, is a translation provided?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

Annex B: Endorsements

8.5 a) Has the project been endorsed by the GEF OFP/s of all GEF eligible participating countries and has the OFP name and position been checked against the GEF database at the time of submission?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

b) Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

c) Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

8.6 For NGI projects (which may not require LoEs), has the Agency informed the OFP(s) of the project before the PIF submission?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

N/A.

Agency Response

Annex C: Project Results Framework
8.7 a) Have the GEF core indicators been included?
b) Have SMART indicators been used; are means of verification well thought out; do the targets correspond/are appropriate in view of the budget (too high? Too low?)
c) Are all relevant indicators sex disaggregated?
d) Is the Project Results Framework included in the Project Document pasted in the Template?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

Annex E: Project map and coordinates
8.8 Are geo-referenced information and maps provided indicating where the project interventions will take place ?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

Annex F: Environmental and Social Safeguards Screen and Rating
8.9 Have safeguard screening document and/or other ESS document(s) attached and been uploaded to the GEF Portal?

Secretariat comment at CEO Endorsement Request

3.25.2026 PM:

Cleared.

Agency Response

Annex G: GEF Budget template
8.10 a) Is the GEF budget template attached and appropriately filled out incl. items such as the executing partner for each budget line?
b) Are the activities / expenditures reasonably and accurately charged to the three identified sources (Components, M&E and PMC)?
c) Are TORs for key project staff funded by GEF grant and/or co-finance attached?

Secretariat comment at CEO Endorsement Request

5/18/2026 PM:

Cleared.

5/14/2026 PM:

Not Cleared. A Project Manager and a Finance Specialist are being charged across project components and PMC. The TORs provided for these two positions are mainly for management and administrative work, which don?t justify the budget allocation to project components. Please revise the budget or the TOR accordingly.

3.25.2026 PM:

Not cleared. Please address the following comments:

•Kindly note that the M&E budget as proposed is 5.6% of GEF resources, which is slightly above the 5% of threshold for M&E. Please review and revise accordingly or provide supplementary justification for a higher M&E budget.

•Over 47% of the GEF provided resources are allocated to project personnel. The typical portfolio benchmark is 1/3 or less of GEF resources. Please review the budget and identify cost efficiencies in the project personnel. In the resubmission, please indicate in which personnel positions the efficiencies have been identified, and to where the resulting budget resources have been allocated.

•Please organize the budget according to cost item ? in order words, budget lines with multiple personnel positions or contracts combined into a single line should be disaggregated (as in the screenshot below ? multiple international consultants appear to be represented by the $75,000 entry, which should be disaggregated. The line for Project Manager is correctly shown in a single line). This issue appears in a few places so please follow the suggested approach for the entire budget table.

		-	-	300,000.00	-	-	300,000.00	
Contractual services-Individual	International consultants - to provide continuous technical assistance, institutional support and capacity building to MoFEM and MoCC/ DoE/NGEF	75,000.00					75,000.00	UNDP
Contractual services-Individual	Project Manager	67,226.00	67,226.00	67,226.00		22,408.00	224,086.00	UNDP
Contractual services-	Finance							UNDP

Agency Response
<u>3rd Review</u>

The costs for the Finance Specialist are now fully charged to the PMC. The staff costs for both the Finance Specialist and the Project Manager were reduced. 20% of the PM?s cost are charged to PMC, while 80% are charged to the technical components. The PM is expected to be significantly involved in the technical delivery of the project, and the TOR of the PM has been revised to reflect this accordingly.

<u>2nd Review</u>

1. The M&E Budget has been reduced to USD 76,000 (4.93%)

2. The share of the costs for project personnel to the project budget has been reduced to 36%. The following positions were reduced

a. IC costs for capacity building have been taken out (previous BN 1 in the TBWP) and were subsumed under contractual services (previous BN 2, no BN 1 in the TBWP) since this contract also envisages the design capacity development programs, and thus efficiencies (from the design and subsequent implementation) can be gained.

b. IC costs for the preparation of inclusive and widespread awareness campaign (BN 8 in TBWP) have been included under contractual services under BN 7 to gain efficiencies by contracting one contractor that is responsible for the demand side study, the investment plan, the design of the financial instruments and the advocacy and awareness campaigns to roll them out.

c. IC costs for the design of the tender mechanism (BN 15) have been reduced and included under contractual services under BN 14 to gain efficiencies by contracting one contractor that is responsible for needs assessment with vendors and installers, consulting with technology providers to establish standard packages of RE/EE, to conduct feasibility studies for new technologies and design of the tender mechanism.

d. IC costs of the M&E related expenses have been reduced to stay within the 5% threshold and were added to the contract to design the tender mechanism (BN 15

3. Individual and contractual services as well as training events have been disaggregated in the GEF budget table.

1st Review

1-3. These are still pending and will be finalized once the implementation arrangements are clarified, as they are likely to require corresponding revisions to the budget, including project personnel allocations.

Annex H: NGI Relevant Annexes
8.11 a) Does the project provide sufficient detail (indicative term sheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments.
b) Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments.
c) Is the Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat comment at CEO Endorsement Request
3.25.2026 PM:

N/A.

Agency Response
Additional Annexes
9. GEFSEC DECISION

9.1.GEFSEC Recommendation Is the project recommended for approval

Secretariat comment at CEO Endorsement Request

5/18/2026 PM:

Cleared.

5/14/2026 PM:

Not Cleared. A Project Manager and a Finance Specialist are being charged across project components and PMC. The TORs provided for these two positions are mainly for management and administrative work, which don?t justify the budget allocation to project components. Please revise the budget or the TOR accordingly.

3.25.2026 PM:

Not cleared. Please address remaining comments above. Also, prior to resubmitting the CEO Approval document, please check formatting for consistency, as font size, bold/regular text, vary from section to section.

9.2 Additional Comments to be considered by the Agency during the inception and implementation phase

Secretariat comment at CEO Endorsement Request

9.3 Review Dates

	1SMSP CEO Approval	Response to Secretariat comments
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		