

Sustainable Bioenergy Value Chain Innovations

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10110

Countries

Ukraine

Project Name

Sustainable Bioenergy Value Chain Innovations

Agenices

EBRD

Date received by PM

6/14/2019

Review completed by PM

10/9/2019

Program Manager

Ming Yang

Focal Area

Climate Change

Project Type

FSP

PIF **CEO Endorsement**

Part I – Project Information

Focal area elements

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

There is not any significant change.

Agency Response

Project description summary

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes, the structure and design are the same as that in the PIF stage

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Not applicable.

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes. The EBRD provided a special document of co-financing. The document is available at the GEF Portal.

Agency Response

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes. It is adequate.

Agency Response

Project Preparation Grant

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes. It is in the Annex C.

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 PIF/Work Program Inclusion

6/26/2019 MY:

There are not significant changes. They remain realistic.

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 PIF/Work Program Inclusion

6/26/2010 MY:

Yes, it is stated in the PIF.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes, there is an elaboration on how the baseline scenario.

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

6/26/2019 MY:

Yes, the proposed alternative scenario as described in PIF is sound and adequate.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes. The project is well aligned with the CCM focal area.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes. The incremental reasoning, contribution from the baseline, and co-financing are clearly elaborated in the project document.

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 PIF/Work Program Inclusion

6/26/2019 MY:

It is clearly indicated in both the PIF and the CEO ER documents.

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 PIF/Work Program Inclusion

6/26/2019 MY:

It is clearly indicated in both the PIF and the CEO ER documents.

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 PIF/Work Program Inclusion

MY 11/5/2018

Not completed at this time.

If possible, please put the locations of geo-references of the 20 pilot projects.

MY 11/9/2018

Not at this time. Please put your responses in the Agency Response Box below.

MY 11/16/2018

Yes, comments were addressed.

Agency Response

The following has been included in Annex A of the PIF:

Pilot projects are anticipated in the following locations (geolocation ID number from geonames.org database):

710735, 698740, 703448, 700567, 689559, 702569, 696634, 706482, 709930, 695592

The following is short description of each site (with latitude and longitude of one point in each of the project areas):

Chernigiv (51.50551, 31.28487)

Odesa (46.47747, 30.73262)

Kyiv (50.45466, 30.5238)

Mykolaiv Oblast (47.41667, 31.83333)

Vinnitsia Oblast (48.91667, 28.66667)

Lutsk (50.75932, 25.34244)

Poltava Oblast (49.47705, 33.81866)

Kharkiv Oblast (49.5, 36.5)

Dnipro (48.4593, 35.03865)

Rivne Oblast (51.0, 26.5)

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 PIF/Work Program Inclusion

6/26/2019 MY:

Not applicable.

Agency Response

Stakeholders

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes. It is stated and reported in the document.

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes. It is stated and described in the section of Gender Equality and Women's Empowerment.

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes, it is staged in the section of Private sector engagement of the document.

Agency Response

Risks

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes, it is staged in the section of Risk of the document.

Agency Response

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes, it is staged in the section of Institutional Arrangement and Coordination of the document.

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes, the project is aligned with the NDCs of the national government to the UNFCCC.

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes, it is staged in the section of Knowledge Management of the document.

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 PIF/Work Program Inclusion

6/26/2019 MY:

Yes, it is staged in the section of monitoring and evaluation of the document.

Agency Response

Benefits

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes, it is staged in the section of Benefits of the document.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes, Annexes A-E are attached.

Agency Response

Project Results Framework

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Cleared.

Agency Response

GEF Secretariat comments

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Not applicable.

Agency Response

Council comments

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Not at this time.

Please address comments of the Council:

Ukraine: Sustainable Bioenergy Value Chain Innovations - EBRD - GEFID= 10110

Comment by Elizabeth Nichols from US Department of State, Council, United States made on 12/13/2018

Comment:

(US comments were provided as council upstream comments. The initial agency response can be found in the list of documents specific to the project in the GEF portal).

· Do GEF staff expect any of the interventions will be Category A?

Confidential Comment :

Comment by Ena Ćimić from Global Affairs Canada, Council, Canada made on 1/7/2019

Comment:

- The project is targeting a less developed type of renewable energy generation - power and heat generation using biomass. Due to a “green tariffs” policy and appropriate regulatory environment, wind and solar energy generation in Ukraine received a strong impetus for fast growth. Meanwhile, in spite of very high potential for biomass energy sector growth in Ukraine, it remains underdeveloped, and less than 10% of the available agricultural residues and waste are used for heat and power generation.

- It looks like the project may play the role of trigger in this area and accelerate the development of the bioenergy sector. The project goal and objectives are in line with national policy defined and approved in the key legal strategic documents in the field of energy safety (Energy Strategy of Ukraine until 2035, National Action Plan for Renewable Energy for the period till 2020, Strategy for Sustainable Development "Ukraine-2020"), climate change mitigation / adaptation (Strategy of the Low Carbon Development of Ukraine until 2050), environmental protection (Draft Law of Ukraine on the Fundamentals (Strategy) of Environmental Policy of Ukraine up to 2030, submitted to Parliament, under consideration).

- The project is in compliance as well with provision of the Association Agreement with the EU obligating Ukraine to increase energy efficiency.

- The project is focused on meeting local needs. The current process of decentralization and administrative reform in Ukraine resulted in the establishment of new Amalgamated Territorial Communities (ATC). All the documents included energy / climate change section with focus on the use of local renewable energy sources (priority – local biomass). It means that the proposed project is complementary to renewable energy initiatives and will promote bioenergy technologies and practices at local level, which is very sensitive to such innovations.

- The project takes into account approaches and outcomes of other projects supported by IFIs and/or international intergovernmental organizations, and develops new initiatives and interventions based on best practice and achievements.

· We hope that the Project, being approved, will pay attention and take into account as well results (in particular, best practices etc.) of other completed or on-going projects either focused on local specifics or having national-wide approaches. In particular, I found important and useful outcomes of the Horizon 2020 project Bioenergy4Business, which as well promoted substitution of fossil fuels used for heating with available bioenergy sources in Ukraine and EU countries (the project completed recently).

· The project is addressing country specific needs. In particular, introducing standards concerning quality of bioenergy products and establishing the Biomass certification system will be important steps forward in the expansion of Bioenergy in Ukraine. The proposed approach (combination of technical assistance with investments in the form of loans) seems realistic, practical and productive.

· The list of sites where the project interventions will take place is quite comprehensive; however, it represents almost all natural zones of Ukraine (steppe, different types of woodland). Only the mountain forest zone is missing. The territory of the Carpathian and Transcarpathian regions is mainly covered with forests and represents an area with a rather specific type of biomass and traditional heat / power generation. It looks like there is a reason to include Project site(s) from this region; it may help to take into account mountain specifics in the elaboration of Bioenergy Value Chain schemes.

· It is difficult to understand the value of 1% in the phrase presented on the page 10 (The largest share of Ukraine's total GHG emissions is attributed to energy-related emissions which account for 66% (or 210 MtCO₂), while electricity and heat generation represents 43% (or 90 MtCO₂) of GHG emissions from fuel combustion).

· The project is in line with and supports the implementation of the national policy in the field of energy and environment and addresses important needs in the development of national energy sector.

· The project takes into account and further develops the achievements of other technical assistance projects and create new important value for energy sector of Ukraine.

· The project addresses real country needs and proposes a promising complex approach in promoting Bioenergy in Ukraine (strengthening regulation and certification system in the field, capacity building, introduction of best available technologies and practices, elaboration and implementation of bioenergy value chain investment projects, etc.).

8/2/2019 MY:

Yes, the comments were addressed.

Agency Response

[1] Thank you for highlighting the Bioenergy4Business Horizon 2020 project. We have noted several relevant outputs from this B4B project, including the report focus on the bioenergy frameworks of selected countries, which includes Ukraine. The Project will strive to take into account all of the relevant studies undertaken by other programmes in the area.

[2] The locations of Project interventions have been provided in line with the tentative pipeline. The Carpathian and Transcarpathian regions, although with less potential for bioenergy from agricultural residues, are also eligible and have not been excluded from participation in the Project.

[3] This sentence has been amended as follows to improve clarity:

“The largest share of Ukraine’s total GHG emissions is attributed to energy-related emissions, which account for 66% of total emissions (or 210 MtCO₂, out of 319 MtCO₂ of total emissions for 2015 excluding land use and forestry), of which electricity and heat generation represents 43% (or 90 MtCO₂) of the energy-related GHG emissions.

STAP comments

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Yes, the comments are addressed.

Agency Response

Convention Secretariat comments

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

N/A

Agency Response

Other Agencies comments

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

N/A

Agency Response

CSOs comments

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

N/A

Agency Response

Status of PPG utilization

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

It is attached in the Annex C. See below.

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

PPG Grant Approved at PIF: 75,000			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Project Document and Request for Endorsement Package Completed	44,450	36,338	8,312
Consultation and review	30,350		30,350
Total	75,000	36,338	38,662

Agency Response

Calendar of expected reflows (if NGI is used)

Secretariat Comment at PIF/Work Program Inclusion

8/26/2019 MY:

N/A

Agency Response

Project maps and coordinates

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

It is stated in the PIF.

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

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at PIF/Work Program Inclusion

6/26/2019 MY:

Not at this time.

Please address the comments above.

8/2/2019 MY:

Not completed at this time.

In the GEF Portal, please indicate the executing agency partners.

Other Executing Partner(s):

Executing Partner Type

The project has four major components; it seems that each of them will be executed by a local executing agency, such as the government for the policy and regulation (the first component), the private sector for capital investment and technology transfer (the second and the third components), and the CSO (university) for capacity building, knowledge development and sharing (the fourth component). Please list these executing agencies.

Please revise the starting date of implementation of the project.

9/23/2019 MY:

The revision of the project document is well accepted. But in the Front Page of the GEF Portal, please indicate the executing agencies and their types accordingly, such as follows:

Other Executing Partner(s):	Executing partner type
the State Agency on Energy Efficiency and Energy Saving of Ukraine	The government
Bioenergy Association of Ukraine (UABio)	CSO
Energy Companies (to be identified)	The private sector

10/9/2019 MY:

Per the discussion between the EBRD and the GEF during the GEF Agency retreat, the EBRD can perform the executing functions for the project.

10/23/2019 MY:

Please address additional comments from the PPO below:

Project is returned to the Agency due to: 1- Table D: Country has not been specified neither Programming of Funds – please fill out the blanks (hint: please follow the fields filled out in Table F – PPG). 2- Need to make sure all comments have been addressed and cleared for CEO Endorsement. 3- For Core Indicators: Please include under Core Indicator 11 the target number of beneficiaries benefiting from the project (already included in the project’s results framework, under Component 4). 4- Please consider ticking the gender tag for “Generating socio-economic benefits or services or women”. Specifically, as the project expects to support the adoption and implementation of Equal Opportunities Action Plans to promote women’s access to economic opportunities both in terms of direct employment and engagement with women-led businesses across the supply chain.

11/5/2019 MY:

Judging from the screenshot for the last bullet in your email, it seems that you are looking at the taxonomy section.

The section that the PPO was requesting is under PART II: PROJECT JUSTIFICATION. We can see this on GEF Portal (Figure 1) as well as in [FSP PIF Word template on the web](#) (Figure 2).

Figure 1 GEF Portal has “Generating socio-economic benefits or services or women” section

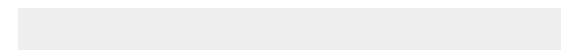
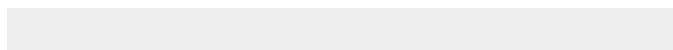
Figure 2 [FSP PIF Word template on the web](#) has “Generating socio-economic benefits or services or women” section

Review Dates

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

First Review



Secretariat Comment at CEO Endorsement

Response to Secretariat comments

Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		