

# COVID-19 Off-Grid Recovery Platform

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10667

**Countries**

Regional (Sierra Leone, Ethiopia, South Africa, Mauritius, Kenya, Nigeria, Uganda, Tanzania, Zambia, Senegal, Mali, Burkina Faso, Cameroon, Ghana, Malawi)

**Project Name**

COVID-19 Off-Grid Recovery Platform

**Agencies**

AfDB

**Date received by PM**

11/30/2021

**Review completed by PM**

5/20/2022

**Program Manager**

Avril Benchimol Dominguez

**Focal Area**

Climate Change

**Project Type**

## 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

Yes. Please clarify throughout the document that the GEF financing will not be used in clean cookstoves, as agreed with you.

April 13 2022

Yes. The CEO Endorsement includes a clarification that GEF funding will be limited to decentralized renewable energy solutions including SHS, GMG and C&I (small-scale C&I including decentralized captive renewable energy systems and appliances for productive use).

**Additional comment:** Please note that the Expected Implementation start date is 4/1/2022. Since we are now passed that date, please review Start and End Date. Also, throughout the document you mention the start of activities in Q2 2022, this should be changed to Q3 2022 given the current submission delay.

**May 9:**

All comments cleared.

#### **Additional comment from PPO 05/27/2022:**

1. Please change the completion date to 09/30/2028 to meet the 72 months duration stipulated.
2. On the Countries Section. A per the list provided below please request the agency to include the name of the countries participating in this project next to ?regional? in the top section of the PIF. Understanding that the table provided is an indicative pipeline of countries, please include at this stage the countries that for sure will have projects, and later on (PIR ? MTR ? TE) include those that could not be assured

at this moment

06/01/2022

Cleared

#### Agency Response

This is to confirm that the GEF financing will not be used in clean cookstoves as agreed. As indicated in the alternative scenario section (under "implementation arrangements"), given that clean cooking is not included in the GEF programming directions, GEF funding will be limited to decentralized renewable energy solutions including SHS, GMG and off-grid C&I only. This will be done by applying eligibility criteria specific for GEF co-financing.

#### May 2, 2022

**Feedback AfDB:** We have updated the start of implementation date to Q4 2022. This allows us to close the financing agreements with the Partner Funds following approval.

#### June 1st, 2022

##### **Feedback AfDB :**

1. The completion date has been updated.
2. Confirmed underlying project countries have been added to ?Part I ? Project Information/ Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds?.

#### 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

April 13 2022

Yes.

**Additional comment:** Please align the Project Objective in Table A, Goal in Theory of Change Goal and Project Objectives defined in the section ?Objectives of CRP? page 23.

**May 9:**

All comments cleared.

**Additional comment from PPO 05/27/2022:**

1. The Agency presented a comprehensive and substantive discussion of the gender dimensions of the project in Section 3 Gender Equality and Women's Empowerment. The Agency is requested to reflect these gender dimensions and considerations in the Project description section. The reviewer thought that the gender dimension is so well embedded to the project design ? acknowledging the specific gender angle of energy poverty and the gender strategy of certain funds- that it is worth bringing the attention to it in the first paragraphs. A couple of sentences from the gender section and cross reference to Gender Section in the Project Description would suffice.

06/01/2022

Cleared

Agency Response

**May 2, 2022**

**Feedback AfDB:** The sections have been updated and aligned.

**June 1st, 2022**

**Feedback AfDB:**

A paragraph has been added on gender dimensions and the Partner Funds commitment to gender equality, highlighting their objectives/activities, to section ?1a. project description/3. The proposed alternative scenario?.

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

Secretariat Comment at CEO Endorsement Request

Reflow calendar is incomplete, we need the termsheet to assess it.

April 13 2022

Completed, thank you.

Agency Response Thank you, the termsheet has been provided.

**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

Co-financing letters are missing. Please in the co-financing state the fund managers involved in each fund (Tripple Jump/SIMA/Lions Head) when adequate. Please explain why there are three different funds under SIMA participating.

April 7 2022

**Additional comments:** As mentioned in the previous comment, the co-financing letters are missing for private sector co-financiers and the table is not complete (investment mobilized column is empty). Co-financing letter provided by AFDB for SEFA co-financing is accepted. But for the Fund Managers, as requested in the comment above, there should be signed commitment letters (or disbursement letters if available) by each Fund Managers

Please ensure consistency throughout the document on co-financing figures: I.e. in several sections of the document it is mentioned that the GEF financing will complement additional US\$ 7 M of financing of SEFA but in table 1 and in the section on Incremental impact that US\$ 7 additional is unclear.

Classification of OGEF as private sector investor should be revisited: the fund is in its vast majority financed by AFDB (GEF)-public-; EU ?public-, German ?public- KFW ?public-, and to a lesser extend NDF (public funding). Prudential, seems to be the only PS financier. EEGF and SIMA funds seem to have more participation of Private Sector, but please confirm.

**May 9:**

All comments cleared.

#### Agency Response

Co-financing letter has been added. SIMA manages both EARF and SIMA Fund 1 and DFF (Partner Funds of CRP). The Off-Grid Solar and Financial Access Senior Debt Fund (Fund I) managed by (SIMA) is a USD 90 million investment fund that provides senior debt to innovative companies that finance, manufacture, and/or distribute solar home systems. The Angaza Distributor Finance Fund (DFF) also managed by SIMA is a USD 3 million fund, providing hard and local currency debt to small and locally-owned EA distributors with approximately USD 1 million or less in revenue annually and

promoting gender equality within EA. Lastly, the Commercial & Industrial Solar Green Bond (also managed by SIMA) is a newly established USD 150 targeted Fund that provides debt financing to young and fast-growing C&I developers.

**May 2, 2022**

**AfDB feedback:** Co-financing letters of SIMA and Triple Jump have been attached. The co-financing letter of FEI OGEF will be shared as soon as received.

Table 1 has been updated reflecting the co-financing contributions from GEF and SEFA separately.

We understand from the GEF guidelines on co-financing that the Partner Funds are falling under the category private sector (commercial entity). The Partner Funds invest on commercial terms and itself is a commercial investment vehicle. The origin of most of OGEF's funds are indeed public funding. Triple Jump is funded by Shell Foundation, FMO, Triple Jump B.V. and Persistent Energy Capital. SIMA DFF is funded by Shell Foundation, Skoll Foundation, and family offices, SIMA Fund 1 is funded by DFC, FMO and many foundations and family offices.

#### **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

To be assessed when whole package is submitted.

April 7 2022

Yes, thank you

Agency Response

**Project Preparation Grant**

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

Secretariat Comment at CEO Endorsement Request

The status has been reported, but the CER does not include the results of the legal due diligence or the outputs of the PPG. There were issues raised at PIF review sheet that

were expected to be resolved as result of that due dilligence that are not explained in the text.

April 7 2022

Yes, confirming this language was inserted in Annex C.

**Agency Response** The PPG table was provided. Once the project has received the GEF CEO endorsement and Bank's approval for the expansion of CRP including USD 7 million funding contribution from SEFA, the PPG grant will be used (within the first year of implementation) to cover the cost of an external legal counsel to support the negotiation and drafting of the Agreements with each Partner. The utilization of the PPG and results will be included in the reporting to the GEF.

**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**

- The estimate of climate mitigation outcomes remains in line with what we approved at PIF stage. However, the annex uploaded in the one drive folder (titled "Others\_Impact Calculations") does not match the number of emission reductions listed in the CEO ER for the CEO ER stage. Please advise.

- 

- We noted that some indicators have been increased. I wonder why you have not included a table comparing PIF with CEO ER (table with the changes), which is customary for CEO ERs.

1. Table 1 indicates a GEF contribution of 20 mil. Is this a typo or does that number includes also the 7 million from SEFA?

**Table 1. Summary of Baseline and Alternative Scenarios, and Incremental Impact of GEF Funding.**

<b>Indicator</b>	<b>CRP Baseline Scenario</b>	<b>Incremental Impact of GEF Funding</b>	<b>CRP Alternative Scenario (incl. GEF Funding)</b>
Concessional finance provided (USD, million)	20	20	40
Commercial capital co-invested by Partner Funds (USD, million)	30	30	60
Commercial capital catalyzed by additional energy access financiers (USD, million)	110	110	220
Total financing enabled (USD, million)	160	160	320
Number of energy access businesses financed	20	20	40
Number of households with increased access to clean energy (million)	240,000	240,000	480,000
Number of beneficiaries with increased access to clean energy	1.2 million	1.2 million	2.4 million
MW installed	20	20	40

Green jobs preserved and created, of which 30% is expected to be filled by women	4,850	4850	9,700
tCO <sub>2</sub> eq reduced or avoided	1.25 million	1.25 million	2.5 million



**Table 1. Summary of Baseline and Alternative Scenarios, and Incremental Impact of GEF Funding.**

<b>Indicator</b>	<b>CRP Baseline Scenario</b>	<b>Incremental Impact of GEF Funding</b>	<b>CRP Alternative Scenario (incl. GEF Funding)</b>
Concessional finance provided (USD, million)	20	20	40
Commercial capital co-invested by Partner Funds (USD, million)	30	30	60
Commercial capital catalyzed by additional energy access financiers (USD, million)	110	110	220
Total financing enabled (USD, million)	160	160	320
Number of energy access businesses financed	20	20	40
Number of households with increased access to clean energy (million)	240,000	240,000	480,000
Number of beneficiaries with increased access to clean energy	1.2 million	1.2 million	2.4 million
MW installed	20	20	40

Green jobs preserved and created, of which 30% is expected to be filled by women	4,850	4850	9,700
tCO <sub>2</sub> eq reduced or avoided	1.25 million	1.25 million	2.5 million

•April 13,2022

**Additional comment:**

Thanks for reconciliation, but in the next version, try to use consistent units for investment (maybe million USD) and revise the unit for the GHG reduction benefit (should be tCO<sub>2</sub>eq, not ktCO<sub>2</sub>eq) ? in Annex K, is good in the main text. Please make it consistent.

Core indicator 6.1 is ER from AFOLU, should be 6.2, ER outside of AFOLU. Please substitute-the core indicator table (not 6.2, it should be 6.1).

•

May 9

We consider that this project has indicators under 6.2 (outside AFOLU) but as per comment above, should have also indicators under 6.4

Although the GEF Core indicator worksheet has indicators under 6.4, Table E does not have them. Please address and complete

**May 19:**

All comments cleared.

**Agency Response**

The indicator targets in annex have been reconciled with indicator targets in the CEO Endorsement document. In addition, the GEF contribution in Table 1 has been corrected.

**May 2, 2022**

**AfDB feedback:** Some indicators are higher in the CEO endorsement compared to the PIF, as a result of the updated (higher) co-financing contributions in the CEO endorsement. Annex A: Project Results Framework, includes both targets submitted in the PIF and CEO endorsement for comparison.

The USD 20 million in Table 1 includes the concessional financing provided by the GEF and SEFA. This has been separated in the updated document to avoid confusion.

**May 2, 2022**

**AfDB feedback:** The units have been updated to be consistent.

If we understand it correctly, CRP impact is recorded under 6.2 Emissions avoided Outside AFOLU.

**May 11, 2022**

Information on core indicator 6.4 has been added to the core indicator table.

## 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

In general, yes, but the team will need to review the project when the full package is submitted

April 7 2022

Yes .

**Additional comment:** The project document references Eligibility Criteria for GEF investment several times; the criteria is nevertheless not found in the document. Please state clearly in the document and the termsheet the eligibility criteria for GEF investment so that the references to the criteria make sense.

**May 9:**

All comments cleared.

### Agency Response

**May 2, 2022**

**AfDB feedback:** Eligibility criteria have been added in the document (section 3) The proposed alternative scenario with a brief description of expected outcomes and components of the project) and termsheet, highlighting the criteria for GEF and SEFA funding.

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

### Secretariat Comment at CEO Endorsement Request

Yes.

### 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

The alternative scenario requires clarification on how the different financing initiatives with very similar goals will complement each other. Please note that the GEF does not co-finance their own projects (through other initiatives like OGEF).

April 7 2022  
Addressed .

#### Agency Response

As indicated in the alternative scenario section (under "implementation arrangements"), the GEF funding will be limited to decentralized renewable energy solutions including SHS, GMG and C&I (small-scale C&I including decentralized captive renewable energy systems and appliances for productive use). Large-scale grid-connected renewable energy systems are not eligible under the scope of CRP. Given clean cooking is not included in the GEF programming directions, GEF funding will be limited to decentralized renewable energy solutions including SHS, GMG and off-grid C&I only. This will be done by applying eligibility criteria specific for GEF co-financing.

- FEI OGEF is one of the selected Partner Funds for CRP. GEF is a financier of the OGEF and to avoid GEF double counting of environmental benefits generated by OGEF and other potential risks, GEF funding to the CRP will be excluded from Partner Funds that have received GEF financial support. As such GEF funding will not be extended to OGEF or any other previously funded initiative by GEF under the CRP, and thus will not be co-invested in underlying transactions alongside OGEF capital.

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

#### Secretariat Comment at CEO Endorsement Request

Yes. But indicators in the annexes do not match the proposal.

April 7 2022  
Yes .

#### Additional comments:

Please review the core indicator table (not 6.2, it should be 6.1)

Please delete the following sentences which are incorrect (page 37): ?build on the GEF-6 focal area strategy in alignment with the UNFCCC?s COP guidance? and ?Moreover, and in line with Objective 2 of the climate change focal area, the GEF investment will participate in increasing and expanding access to mitigation options with systemic impacts?. Please note that the project is not contributing the CCM Objective 2 which refers to the GEF?s Impact Programs.

May 9

All comments cleared. But please make sure 6.4 indicator is also complete in the core indicator table

May 19:

All comments cleared.

Agency Response

The indicator targets in the annexes have been checked for consistency with the indicator targets in the CEO Endorsement document.

**May 2, 2022**

**AfDB feedback:** The core indicator table and text have been updated accordingly.

**May 11, 2022**

Information on core indicator 6.4 has been added to the core indicator table.

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

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

To be assessed after reception of updated package

April 13,2022

**Additional comments:** Please see comments in the core indicator section. Include Annex K in this section rather having it in an Annex separately. Annex J is not visible in the portal (is it an image?).

**May 9:**

All comments cleared.

Agency Response

**May 2, 2022**

**AfDB Feedback:** Annex K has been included in the core indicator section as requested.

Annex J is indeed a picture.

**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

TBD

April 7 2022

Yes. The model is replicable in similar circumstances.

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

Project map and coordinates of the countries where the fund will operate are in place. The project proposal misses details on the distributed energy markets in some of these countries.

April 7 2022

Remains same from the previous version.

Agency Response

**May 2, 2022**

**AfDB feedback:** Some additional information on the market has been added in section *Ib. Project Map and Geo-Coordinates*.

**Child Project**

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

Secretariat Comment at CEO Endorsement Request

N/A

Agency Response

**Stakeholders**

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

Secretariat Comment at CEO Endorsement Request

Very little was submitted. We need further elaboration (a plan) is requested at this stage.

April 7 2022

Remains the same from the previous version.

**Additional comments:**

The Stakeholder Engagement Strategy shall be further elaborated, including:

1. Please elaborate whether this project will benefit or impact any Indigenous or minority Peoples and Local Communities. If so, please show evidence that they have been consulted with the project impacts. Please indicate which stakeholders will be affected by the project on ground and how they have been consulted.
2. Please include information about the future roles of stakeholders and proposed means of future engagement. Please check if the future roles of stakeholders have been identified. Please demonstrate how the project keeps engaging stakeholders through adequate means.

**May 9:**

All comments cleared.

**Additional comment from PPO 05/27/2022:**

Gender in the Stakeholder engagement section. Please add a full row to the Stakeholder Engagement that summarizes the work that will be done by this Fund having Women as a stakeholders.

06/01/2022

Cleared

**Agency Response**

Additional information was inserted under the "Stakeholders" section.

**May 2, 2022**

**AfDB feedback:** Information on Indigenous or minority Peoples and Local Communities has been included in the stakeholder plan and additional information on future roles of stakeholders and proposed means of future engagement provided.

**June 1st, 2022**

**Feedback AfDB:**

A full row on women as stakeholders has been added to the stakeholder Engagement Plan in section 2. *Stakeholders*.

## 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

The gender analysis is there; but the aside from gender disaggregated indicators we wonder if the Funds have investment criteria with gender objectives (females in companies invested) or females at the fund level.

April 7 2022

**Additional comment:** The question is not answered. Please address.

**May 9:**

All comments cleared.

**Additional comment from PPO 05/27/2022:**

The Agency is requested to tick the box Yes to the question "Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?" This is the umbrella question to the following three items: Closing gender gaps in access to...; Improving women's participation...; Generating socio-economic benefits...). On the three items, it seems from the description that the project will also improve women's participation in decision-making. If this is the case, please tick Yes here. The Agency should tick Yes to the question: "Does the project's results framework or logical framework include gender-sensitive indicators?" as the description in the section on gender mentions that the project will do this.

06/01/2022

Cleared

### Agency Response

The logical framework will include gender-sensitive indicators, to measure the impact on women, including number of female customers, beneficiaries, and job creation. Partner Funds have been assessed on their ability to monitor and report on these development impact indicators. It is expected that the GEF funding will contribute to enhancing the quality of life of 1.2 million women and girls? and to maintain and create full-time employment opportunities for approximately 2,900 women as a result of the CRP.



**May 2, 2022**

**AfDB feedback:** Gender objectives and activities have been added to the CEO endorsement in section 3. *Gender Equality and Women's Empowerment*.

**June 1st, 2022**

**Feedback AfDB:**

The comments have been reflected/updated in section 3. *Gender Equality and Women's Empowerment*; the right boxes are now ticked.

**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

yes.

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

To be assessed when the whole proposal is submitted.

April 7 2022

**Additional comments:** Please include political risk (from the macro risk to the legal /institutional framework/and enforcement of law that can be insufficient to the success of this fund and COVID-19 risks (delays on sourcing of machine etc.)

Overall, the project is missing a reference on good practices and mitigation actions for the disposal of solar panels and batteries. Also, the risk analysis should include a reference to the environmental risks of not properly disposing solar panels and batteries which contain hazardous materials.

**May 9:**

All comments cleared.

Agency Response

**May 2, 2022**

**AfDB feedback:** The additional risks and mitigation measures have been added in section 5. *Risks*.

**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

The coordination with previously financed GEF initiatives and the exclusion of the possibility of GEF co-financing itself needs strengthening.

April 7 2022

**Additional comment:**

Please include Eligibility Criteria for GEF financing so as to make clear that restrictions apply to investments from GEF to other GEF- funded initiatives (included but not limited to OGEF).

**May 9:**

All comments cleared.

Agency Response

**May 2, 2022**

**AfDB feedback:** This has been confirmed/incorporated in section 3 The proposed alternative scenario and termsheet, highlighting the criteria for GEF and SEFA funding.

**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

TBD

April 7 2022

Yes ? agency to confirm all participating countries has small-scale renewable energy access in NDCs.

**May 9:**

All comments cleared.

Agency Response

May 2, 2022

**AFDB feedback:** Confirmed in the document.

**Knowledge Management**

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

Secretariat Comment at CEO Endorsement Request

No timeline was provided and deliverables were listed but with no party assigned as responsible for delivery. At this stage, the deliverables also may result in a budget. Who covers the cost of KM activities?

April 7 2022

Provided.

Agency Response Additional information was provided under the "Knowledge Management" section. A budget table was also added in Annex E.

**Environmental and Social Safeguard (ESS)**

**Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?**

Secretariat Comment at CEO Endorsement Request

Very brief. The Project document should clearly state that the investment will follow (i) either the ESS of AFDB and reference these or (ii) the platform's own ESS screening and explain how this will be reviewed and why AFDB is OK with ESS.

April 7 2022

**Additional comments:** Please provide references to the AFDB ESMS policies. That information is mostly provided in section 5. (risks) so we suggest that you re-locate that whole section here.

The annex provided at PIF level on climate risk assessment at project level is nevertheless insufficient. This was raised by the Secretariat and STAP at PIF.

Please provide documentation on how to mitigate Medium Risk for ESMS.

May 9

Annex N (Bank Categorization Memorandum) is not in the CER. Please provide

On STAP- Thank you for the additional information. According to the information provided in the Risks section, about the disposal of solar panel and batteries, STAP comments on that respect should be addressed. Please advise -if not referring to this recommendation on STAP- what other STAP recommendation will be managed through the implementation of ESMS of the partners.

*As per their ESMEs, Partner Funds are required to assess waste management plans of underlying borrowers to ensure good practices and mitigation actions for the disposal of solar panels and batteries are in place. This will be part of the E&S monitoring and reporting of underlying borrowers that will be included as covenant in the financing agreements.*

**May 19:**

All comments cleared.

### Agency Response

The Partner Funds' ESMS have been assessed by the Bank's Environmental and Social Safeguards (ESS) team to ensure they meet the lending requirements of the AfDB and that climate risks are appropriately addressed including during the due diligence of potential sub-investments under the CRP - as required within the Bank's Integrated Safeguards System (ISS). Each ESMS provided by the Partner Funds explicitly mentions climate change as a key area of investment decision-making and reporting, including the identification of hazards, assessment of vulnerability and exposure and the identification of measures to manage the risk impacts of climate change.

**May 2, 2022**

**AfDB feedback:** Given that underlying projects (including technology, geographical regions, end-beneficiaries etc.) are unknown at the time of submission of the GEF CEO Endorsement and being approved by CRP Partners during the implementation, a risk assessment as described in the GEF's Scientific and Technical Advisory Panel (STAP)'s guidance document cannot be conducted at this stage and will be managed through the implementation of the ESMS of the Partners.

The project involves facilitating investments in small- to medium-scale renewable energy technology companies. Accordingly, it is expected that these investments will only involve low to medium environmental and social safeguards risks which, as per AfDB's E&S policies, can be managed through the implementation of environmental and social management systems and plans.

According to the AfDB's Integrated Safeguards System the ESMF of each Partner Fund has been assessed to ensure all environmental and social safeguard issues for subprojects at the respective project sites, from preparation, through appraisal and approval, to implementation, are addressed. It thereby ensures compliance with the Bank's safeguards policies.

The financing agreement with each Partner Fund includes that representations and warranties will be included under the End-Borrower Loan Agreements confirming that the end-borrower shall comply with the requirements of any acts, orders, regulations and

codes of practice to which it may be subject relating to health and safety, and environmental and social requirements, including the Environmental and Social Policy of the Fund and the End-Borrower's Environmental and Social Policy. Partner Funds will monitor and report on E&S performance of investees to the Bank. The Bank will monitor compliance with the ESMSs through the investment notifications and performance reports, as firmed up the CRP financing agreement, as well as through annual supervision missions by the Bank's experts.

**May 11, 2022**

Yes, the information on waste management was added based on the STAP comment.

The project involves facilitating investments in small- to medium-scale renewable energy technology companies. Accordingly, it is expected that these investments will only involve low to medium environmental and social safeguards risks which, as per AfDB's E&S policies, can be managed through the implementation of environmental and social management systems and plans.

According to the AfDB's Integrated Safeguards System the ESMF of each Partner Fund has been assessed to ensure all environmental and social safeguard issues for subprojects at the respective project sites, from preparation, through appraisal and approval, to implementation, are addressed. It thereby ensures compliance with the Bank's safeguards policies.

The financing agreement with each Partner Fund includes that representations and warranties will be included under the End-Borrower Loan Agreements confirming that the end-borrower shall comply with the requirements of any acts, orders, regulations and codes of practice to which it may be subject relating to health and safety, and environmental and social requirements, including the Environmental and Social Policy of the Fund and the End-Borrower's Environmental and Social Policy. Partner Funds will monitor and report on E&S performance of investees to the Bank. The Bank will monitor compliance with the ESMSs through the investment notifications and performance reports, as firmed up in the CRP financing agreement, as well as through annual supervision missions by the Bank's experts.

We believe there were no other relevant STAP comments linked to this.

**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  
Incomplete

April 7 2022

**Additional comment:** Please confirm that the Bank is in charge of M&E in this table and in the Project Budget Table (currently stating that "Independent consultants"); the responsible party is AfDB.

May 9 2022

Addressed.

#### Agency Response

A table was inserted summarizing the budget for monitoring and evaluation and the required reports for this project.

**May 2, 2022**

**AfDB feedback:** This has been updated and is confirmed.

#### **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

April 7 2022

Yes, thank you.

#### Agency Response

#### **Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

No.

April 7 2022

Yes, all annexes are now included, with the exception of

The Co-financing letters from private sector partners.

Please in Annex E: the responsible entity for GEF investment is AfDB as our IA.

Please confirm that the Bank is in charge of M&E in this table and in the Project Budget Table (currently stating that Independent consultants will be doing it) but the responsible party is AfDB.

**May 9 2022:**

Independent Consultants and not AfDB continues to be the Responsible Party. Please address with AfDB as responsible party of that budget line.

**May 19:**

All comments cleared.

Agency Response

**May 2, 2022**

**AfDB feedback:** This has been updated accordingly.

**May 11, 2022**

This has been corrected in the updated CEO endorsement and on the portal.

**Project Results Framework**

Secretariat Comment at CEO Endorsement Request

Yes.

April 7 2022

**Additional comment:** Please amend the Project Results Framework indicating which indicators are 'GEF Core Indicators'. This can be done by adding 'GEF Core Indicator 6' next to 'Green House Gases emissions mitigated'. The same applies to GEF Core Indicator 11, I.e. number of direct beneficiaries.

May 9

Comments cleared

Agency Response

**May 2, 2022**

**AfDB Feedback:** Reference to GEF core indicators have been added.

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

Secretariat comments are there but have not been taken into account in the writing of the proposal. The CER should address GEF Sec comments.

April 7 2022

Comments Cleared

Agency Response

**Council comments**

Secretariat Comment at CEO Endorsement Request N/A

Agency Response

**STAP comments**

Secretariat Comment at CEO Endorsement Request

No.

April 7 2022:

In spite of the Sec comment of lacking incorporation of STAP comments, no additional information as provided in the new submission-quoting comments from STAP review- :

In considering solar power and battery technology, the project proponent should be aware of recent concerns about unintended consequences related to end-of-life management of renewable energy waste and emerging solutions (e.g., IRENA, 2016: <https://www.irena.org/publications/2016/Jun/End-oflife-management-Solar-Photovoltaic-Panels>; Chowdhury et al., 2020: <https://www.sciencedirect.com/science/article/pii/S2211467X19301245>; Tao et al., 2020: <https://onlinelibrary.wiley.com/doi/abs/10.1002/pip.3316>; ESA, 2020. <https://energystorage.org/wp/wp-content/uploads/2020/04/ESA-End-of-Life-White-Paper-CRI.pdf>; 3 Salim et al., 2019: <https://www.sciencedirect.com/science/article/abs/pii/S0959652618336321>).

These concerns should be considered in selecting and developing the technical aspects of this project. A preliminary analysis of potential climate risk to the project was presented. It was stated that a risk assessment was conducted in line with STAP's guidance on climate risk assessment, and the findings were included as an annex. This annex was, however, missing. Given Africa's high vulnerability to climate change, we encourage climate risk assessment to be carried out and provided at the PPG stage.

**May 9:**

On STAP- Thank your for the additional information. According to the information provided in the Risks section, about the disposal of solar panel and batteries, STAP comments on that respect should be addressed. Please advise -if not referring to this



recommendation on STAP- what other STAP recommendation will be managed through the implementation of ESMS of the partners.  
As per their ESMFs, Partner Funds are required to assess waste management plans of underlying borrowers to ensure good practices and mitigation actions for the disposal of solar panels and batteries a re in place. This will be part of the E&S monitoring and reporting of underlying borrowers that will be included as covenant in the financing agreements.<sup>3</sup>

**May 19:**

All comments cleared.

## Agency Response

**May 2, 2022**

**AfDB Feedback:** A section on waste management has been added in section 5. *Risks*, including how this is managed within the project.

The Bank's E&S risk categorization memorandum is attached in Annex N.

Given that underlying projects (including technology, geographical regions, end-beneficiaries etc.) are unknown at the time of submission of the GEF CEO Endorsement and being approved by CRP Partners during the implementation, a risk assessment as described in the GEF's Scientific and Technical Advisory Panel (STAP)'s guidance document cannot be conducted at this stage and will be managed through the implementation of the ESMS of the Partners.

The project involves facilitating investments in small- to medium-scale renewable energy technology companies. Accordingly, it is expected that these investments will only involve low to medium environmental and social safeguards risks which, as per AfDB's E&S policies, can be managed through the implementation of environmental and social management systems and plans.

According to the AfDB's Integrated Safeguards System the ESMF of each Partner Fund has been assessed to ensure all environmental and social safeguard issues for subprojects at the respective project sites, from preparation, through appraisal and approval, to implementation, are addressed. It thereby ensures compliance with the Bank's safeguards policies.

The financing agreement with each Partner Fund includes that representations and warranties will be included under the End-Borrower Loan Agreements confirming that the end-borrower shall comply with the requirements of any acts, orders, regulations and codes of practice to which it may be subject relating to health and safety, and environmental and social requirements, including the Environmental and Social Policy of the Fund and the End-Borrower's Environmental and Social Policy. Partner Funds will monitor and report on E&S performance of investees to the Bank. The Bank will

monitor compliance with the ESMSs through the investment notifications and performance reports, as firmed up the CRP financing agreement, as well as through annual supervision missions by the Bank's experts.

**May 11, 2022**

Yes, the information on waste management was added based on the STAP comment.

The project involves facilitating investments in small- to medium-scale renewable energy technology companies. Accordingly, it is expected that these investments will only involve low to medium environmental and social safeguards risks which, as per AfDB's E&S policies, can be managed through the implementation of environmental and social management systems and plans.

According to the AfDB's Integrated Safeguards System the ESMF of each Partner Fund has been assessed to ensure all environmental and social safeguard issues for subprojects at the respective project sites, from preparation, through appraisal and approval, to implementation, are addressed. It thereby ensures compliance with the Bank's safeguards policies.

The financing agreement with each Partner Fund includes that representations and warranties will be included under the End-Borrower Loan Agreements confirming that the end-borrower shall comply with the requirements of any acts, orders, regulations and codes of practice to which it may be subject relating to health and safety, and environmental and social requirements, including the Environmental and Social Policy of the Fund and the End-Borrower's Environmental and Social Policy. Partner Funds will monitor and report on E&S performance of investees to the Bank. The Bank will monitor compliance with the ESMSs through the investment notifications and performance reports, as firmed up the CRP financing agreement, as well as through annual supervision missions by the Bank's experts.

We believe there were no other relevant STAP comments linked to this.

**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

Need to explain the deliverable and how it shapes the CER and addresses GEF Sec legal concerns.

April 7 2022

Comment cleared. The GEF secretariat welcomes the opportunity to review the results of the legal support during project implementation; please do include those in PIRs and MTR, since we could not have the results at this stage.

Agency Response

May 2, 2022

**AfDB feedback:** Well noted and will be done.

**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request Yes

Agency Response

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

Secretariat Comment at CEO Endorsement Request

No

Agency Response

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

Secretariat Comment at CEO Endorsement Request

No.

April 7 2022

Thank you for submitting the termsheet.

This termsheet is slightly different from the PIF submitted termsheet on the co-financing at portfolio level (1:2 at portfolio level and 1:1 at transaction level). Please explain

- On the Use of proceeds section please explain the "at least" on the following sentence to avoid confusion: "co-invested along Partner Fund capital on an at least 1:1 basis at transaction level on pari-passu for the principal amount of the investment and pro-rata risk sharing terms at transaction level (except for the interest rate, with CRP pricing set at 0%)."

- The Use of proceeds section includes a reference to Eligibility criteria. Please add it: it may be that you add "Eligibility Criteria" before the paragraph "GEF funds through CRP support decentralized renewable energy solutions including SHS, GMG and C&I (small-scale C&I including decentralized captive renewable energy systems and appliances for productive use) with the exclusion of clean cooking and Partner Funds that have already received GEF financial support (to avoid double counting of GEBs). This will be done by applying eligibility criteria specific for GEF co-financing."

- Please add to these criteria that SEFA and GEF will not co-finance simultaneously a given project.

- For the Write Off procedures, the Termsheet is missing in which section these are described. Please add "of will be written off, following the Bank's write-off policy described in the section [XX]" Please add.

On reflow reporting, both actual and expected reflows will be required to be reported under the FPA-actual reflows on a quarterly/semi annual basis, on the expected reflows, once a year for Council information.

**May 9**

**All addressed except**

**Please add to the Eligibility Criteria that SEFA and GEF will not co-finance simultaneously a given project.**

**May 19:**

All comments cleared.

**Agency Response**

**May 2, 2022**

**AfDB feedback:** The comments have been incorporated in the termsheet.

GEF funding, through CRP, will be co-invested along Partner Fund capital on an at least 1:1 basis at transaction level and 1:1.5 (instead of 1:2 stated in the PIF) at portfolio

level. This is to apply the same terms and conditions of CRP (when investment with GEF or SEFA capital) to all Funds. The total co-financing of the project in the CEO endorsement is higher than in the PIF, as a result of an additional contribution from the GEF and Partner Funds.

**May 11, 2022**

The requirement which consists for SEFA and the GEF not to finance simultaneously has been added to the eligibility criteria table in Annex F (Termsheet).

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

Secretariat Comment at CEO Endorsement Request

No

[April 7 2022](#)

[Yes, thank you.](#)

Agency Response

**GEFSEC DECISION**

**RECOMMENDATION**

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

Secretariat Comment at CEO Endorsement Request

*The COVID-19 Off-Grid Recovery Platform is recommended for CEO endorsement after clearing all technical considerations.*

**Review Dates**

	<b>Secretariat Comment at CEO Endorsement</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>1/27/2022</b>	
<b>Additional Review (as necessary)</b>	<b>4/13/2022</b>	

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

<b>Additional Review (as necessary)</b>	<b>5/9/2022</b>
<b>Additional Review (as necessary)</b>	<b>5/27/2022</b>
<b>Additional Review (as necessary)</b>	

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**

Through this NGI investment, the GEF aims to support the Off-Grid Recovery Platform, an innovative financial mechanism that seeks to provide fast-tracked flexible financing to energy access companies that are hard hit by the COVID-19 crisis. The project seeks to uphold the significant progress made by clean energy access companies in Africa to date, providing them with immediate access to financing to prevent a ?reverse energy transition? that could jeopardize the significant climate mitigation benefits that have been delivered by the energy access industry across the African continent. This project, the COVID-19 Off Grid Recovery Platform (CRP), will establish an innovative financing mechanism aimed at quickly deploying funds for energy access companies in their off-grid operations, with a view of addressing the financial distress and short- and medium-term lack of liquidity they are facing as a result of the current pandemic. The CRP will blend and co-invest resources from donor funds and private sector investment funds operating in Africa, to offer affordable debt financing to energy access companies. To ensure a quick deployment of resources, the platform leverages on the commercial outreach and existing market knowledge of several competitively selected partner funds. The co-investment arrangements will be executed in *pari-passu* and proportional terms to best align interests between investors. This public-private partnership structure is expected to increase volume and speed in the provision of financial recovery resources, and to extend finance to at least 40 energy companies, installing an additional 40 MW of clean energy capacity, and providing new or continued energy access services to 2.4 million people. The project is expected to result in 2.57 million tCO<sub>2</sub> in direct GHG emission reductions.

**COVID-19 Considerations:**

The primary purpose of the project is to provide fast and flexible financing to energy access companies that are hard hit by COVID-19 crisis. These companies are focusing on commercializing small scale renewable energy solutions to households, microenterprises and other end-consumers in underserved communities in Africa to mitigate the negative impacts of COVID-19 pandemic on the energy access industry.