GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS
THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	**9225**		
Country/Region:	**Mozambique**		
Project Title:	**Towards Sustainable Energy For All in Mozambique: Promoting Market-Based Dissemination of Integrated Renewable Energy Systems for Productive Activities in Rural Areas**		
GEF Agency:	**UNIDO**	GEF Agency Project ID:	
Type of Trust Fund:	**GEF Trust Fund**	GEF Focal Area (s):	**Climate Change**
GEF-6 Focal Area/ LDCF/SCCF Objective (s):		**CCM-1 Program 1;**	
Anticipated Financing PPG:	**$82,192**	Project Grant:	**$2,851,384**
Co-financing:	**$9,220,000**	Total Project Cost:	**$12,071,384**
PIF Approval:		Council Approval/Expected:	**October 01, 2015**
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	**Ming Yang**	Agency Contact Person:	**Alois Posekufa Mhlanga,**

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework?[1]	MY 8/4/2015 Yes. It is aligned with Program 1 of Objective 1: Promote low carbon technologies and mitigation options.	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	MY 8/4/2015 Yes, it is stated on pages 15 and 16.	
Project Design	3. Does the PIF sufficiently indicate the drivers[2] of global environmental	MY 8/4/2015 Not at this time.	PART II, section 1.1 has been extensively revised to show the

[1] For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?
[2] Need not apply to LDCF/SCCF projects.

PIF Review			
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	degradation, issues of sustainability, market transformation, scaling, and innovation?	Pages 3 and 4 of the PIF presented problems of energy in the country, but the PIF did not address the root causes to the problems, nor present barriers explicitly. For example, the PIF shows that Mozambique is a net electricity exporter. On the other hand electrification rate of the country is only 18%. The PIF does not show the root causes or driver of such bad energy situation. Please write one or two paragraphs to show the drivers of the problems and justify how this proposed project will change this situation. In addition, please write one paragraph for each of the following topics for the project: 1. innovation; 2. sustainability; 3. scaling up; 4. market transformation impact. MY 8/18/2015 Yes. Comment was addressed and the PIF was revised.	following: Mozambique has a wide variety of energy resources as exposed in details in Paragraph 1.1 (pages 3-4), but the rate of energy access for both on-grid and off-grid schemes are low. The project targets rural remote areas where access is even lower, at 5%. This paradox between resources availability and low energy access is due to three factors mentioned in that paragraph. ï‚· Over the past years, priority has been given to investment in the upstream part of the energy sector, namely in production systems using hydropower resources. Examples are the Lupata (612 MW) and Boroma (210 MW) hydropower plants currently under development, and the rehabilitation of Mavuzi e Chicamba power plant (86 MW) initiated in 2014. ï‚· Limited investment in the downstream part of the energy sector, namely in transmission and distribution networks, (Page 3) that is further illustrated by inclusion in this paragraph of data on the length of the transmission and distribution networks, to be viewed in the perspective of the country size

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			(801,590 km2) mentioned above in the same paragraph. ï‚· Scattered settlements in rural remote areas of Mozambique (page 3) which make the investment required in the transmission and distribution networks to reach those areas high. The result is an excess production which cannot be evacuated to supply the rural remote areas, and is therefore feed-in to the regional grid for supplying neighbor countries. As Mozambique sends more in the regional grid than it receives from its neighbors, that makes it a next electricity exporter. Therefore, activities in rural remote areas requiring electricity, such as water pumping and small scale agro-food processing, relies on diesel-based decentralized solutions (Page 3). Barriers to addressing efficiently the global environment problems and the specific energy access challenge in rural remote areas of Mozambique are now explained in more details on page 4. Drivers of the problems and environmental degradation are now included on page 3. Paragraphs on innovation, sustainability, scaling up, and market transformation impact are now included on pages 12-13.
	4. Is the project designed with sound	MY 8/4/2015	The contribution of the project to address

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	incremental reasoning?	Not completed at this time. On pages 6 and 7, the PIF proposed an alternative scenario to justify incremental reasoning of the project. However, the PIF did not justify how the alternative scenario will be practically realized. This issue is linked to the GEF SEC comments in Box 3. In the alternative scenario, please address how the proposed project will address the root causes or drivers of the environment and energy issues in the country. Then, the PIF should justify the significance of the proposed GEF project. MY 8/18/2015 Yes. Comment was addressed and the PIF was revised.	the root causes of deforestation, and pollution from agriculture and industry waste, while increasing energy access in target areas, is now explained in Paragraph 1.3 (Pages 6-7). It is included in this paragraph 1.3 that Wood fuel consumption in rural areas of Mozambique is a major cause of forests degradation. The dumping of waste from agriculture and industry sectors in local rivers and other open areas contribute to pollution of the water system and leaks greenhouse gases, including methane, in the atmosphere. Using these waste in biogas systems will reduce related GHG emissions. The rural areas in Mozambique have already experience with decentralized energy systems, fueled by diesel, the alternative systems using solar and biomass energy resources will further reduce GHG emissions and will contribute to climate change mitigation.
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	MY 8/4/2015 Not completed at this time. On page 1, please indicate the number of training modules for government officers to be conducted and the number of people to be trained. MY 8/18/2015 Yes. Comment was addressed and the PIF was revised.	The number of training sessions planned and the number of expected participants are now integrated in Table B (pages 1-2). Training sessions for government officials will be on two main thematic: ï‚· The first should be related to integrated renewable energy systems and local legislation, and will target provincial officials and institutions

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			intervening in local development; ï‚· The second should be related to the broader market of renewables, with solar and PV applications as case studies, and will target the national government officials, Ministry departments, research institutes and development partners. Three sessions are planned for officials in selected provinces. Two sessions will target national government officials. The ten training sessions targeting finance institutions and other private stakeholders will be on a thematic related to development of renewable energy projects and requirements (criteria and conditions) to make the investments bankable. The exact title and content of each of these training sessions will be mutually agreed during preparation phase. A total of 300 participants are targeted within these four training sessions (Page 8).
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	MY 8/4/2015 Not completed. Please elaborate how this project will benefit indigenous people, if it is relevant. MY 8/18/2015 Yes. Comment was addressed.	The project does not foresee participation of indigenous people. The box "Yes" is checked as an answer to the question because, the project features participation of the civil society inclusive of local communities, NGOs, and academia. In addition, this section has been expanded to explain steps that will be taken in the event that indigenous

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			communities will participate in the project.
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• The STAR allocation?	MY 8/4/2015 Yes. As of 8/4/2015, Mozambique had a total of STAR remainder resources of $4,262,728.	
	• The focal area allocation?	MY 8/4/2015 Yes. As of 8/4/2015, Mozambique had $3,212,265 in CCM focal area, which is sufficient to cover the budget of this project.	
	• The LDCF under the principle of equitable access	MY 8/4/2015 N/A	
	• The SCCF (Adaptation or Technology Transfer)?	MY 8/4/2015 N/A	
	• Focal area set-aside?	MY 8/4/2015 N/A	
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	MY 8/4/2015 No. Please address the comments in Boxes: 3, 4, 5 and 6. MY 8/18/2015 Yes. Comments in Boxes 3, 4, 5, and 6 were all addressed, and the PIF was revised accordingly. The Program Manager recommends CEO PIF clearance	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Review Date	Review	August 04, 2015	
	Additional Review (as necessary)	August 18, 2015	
	Additional Review (as necessary)		

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)		

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	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. *Only for Non-Grant Instrument:* Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		
Agency Responses	11. Has the Agency adequately responded to comments at the PIF[3] stage from:		
	• GEFSEC		
	• STAP		
	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		

[3] If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.

CEO endorsement Review			
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	Additional Review (as necessary)		