



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF/NPIF TRUST FUNDS

GEF ID:	5727		
Country/Region:	Thailand		
Project Title:	Reduction of GHG Emission in Thai Industries through Promoting Investments of the Production and Usage of Solid Bio-fuel		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-3;		
Anticipated Financing PPG:	\$150,000	Project Grant:	\$3,850,000
Co-financing:	\$20,090,000	Total Project Cost:	\$24,090,000
PIF Approval:		Council Approval/Expected:	May 01, 2014
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ming Yang	Agency Contact Person:	Mr. Jossy Thomas,

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible ?	MY 3/12/2014 Yes.	
	2. Has the operational focal point endorsed the project?	MY 3/12/2014 Yes. PPG: \$150,000 Project: \$3,850,000 Fees: \$380,000 Total: \$4,380,000	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	MY 3/12/2014 As of 3/12/2014, Thailand has a remainder of \$14.4 million in STAR.	

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

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	<ul style="list-style-type: none"> • the focal area allocation? 	MY 3/12/2014 As of 3/12/2014, Thailand has a remainder of \$11.29 million in the CCM.	
	<ul style="list-style-type: none"> • the LDCF under the principle of equitable access 	MY 3/12/2014 Not applicable.	
	<ul style="list-style-type: none"> • the SCCF (Adaptation or Technology Transfer)? 	MY 3/12/2014 Not applicable.	
	<ul style="list-style-type: none"> • the Nagoya Protocol Investment Fund 	MY 3/12/2014 Not applicable.	
	<ul style="list-style-type: none"> • focal area set-aside? 	MY 3/12/2014 Not applicable.	
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives ? <i>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 progress toward achieving the Aichi target(s).</i>	MY 3/12/2014 Yes, with CCM-3: Promote investment in renewable energy technologies.	
	5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	MY 3/12/2014 Not at this time. Please discuss project consistency with the following strategies and plans: 1. Technology Needs Assessments Report for Climate Change Mitigation, July 2012; 2. Thailand's National Capacity Self-Assessment 2010; and 3. Thailand's NPFE. See http://www.thegef.org/gef/NPFD/Thailand MY 3/24/2014 Yes. The above comments were addressed.	

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		However, please clarify the linkage between this project with the Thai Technology Needs Assessment (TNA) in the CEO endorsement document.	
Project Design	6. Is (are) the baseline project(s) , including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	<p>MY 3/12/2014 Not at this time.</p> <p>a) Please clearly indicate the baseline by answering the following questions: (1) What will happen to the use of solid biofuels in Thailand if the GEF does not finance this project? (2) What percentage of the Thai 2021 RE target will be achieved by using solid bio-fuels in 2021, if the GEF is not involved in the program? (3) What will be the development trend of the industrial technologies that co-fire solid biofuels and coal/lignite if the GEF funding is not available? (4) What will be the catalyst to induce changes in direction for the current industry for solid biofuel production?</p> <p>b) Please consider undertaking some research on private firms producing solid biofuels, and describe their business plan and barriers. An example of the firms is: Siam Inter Biofuel Co., Ltd. at 77/45 Moo 7, T. Klong Yong, Puthamonton, Nakhon Pathom, Thailand. Website: http://th115927839.fm.alibaba.com/</p> <p>MY 3/24/2014</p> <p>Yes. Comments were addressed and questions were answered.</p>	

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	<p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p>	<p>MY 3/12/2014</p> <p>Not at this time.</p> <p>a) Please indicate the number of solid biofuel pelletizing systems to be installed.</p> <p>b) Please consider allocating more GEF funds for capital investments (INV) and install more demonstration plants. For example, Component 1 is a TA and the GEF budget for it is \$600,000, while Component 3 is for demonstration and the GEF budget is \$330,000. It seems that the component budgets are not balanced.</p> <p>c) In addition, please articulate how to use the GEF \$2 million in Component 2.3. Will the GEF funding be used to establish a scheme, or to be used as seed capital in the scheme?</p> <p>MY 3/24/2014</p> <p>Yes. Comments were addressed and questions were answered.</p>	
	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>MY 3/12/2014</p> <p>Yes. The global environmental benefits include mitigating 598,750 tonnes of CO2 directly, and 1,995,820 tonnes indirectly during a period of 10 years.</p>	
	<p>9. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?</p>		

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	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?	MY 3/12/2014 Yes. During the PPG, please identify the existing private pellet producers and users, integrating their business development plans and market barriers in the project design.	
	11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)	MY 3/12/2014 Yes.	
	12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	MY 3/12/2014 Yes.	
	13. Comment on the project's innovative aspects, sustainability, and potential for scaling up. <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. 	MY 3/12/2014 Not at this time. a) In Innovation paragraph, please use facts to argue the project is innovative. The current arguments are not strong, given that private sector investments in solid biofuel technologies have been taking place in Thailand. b) In Sustainability paragraph, please articulate how the demonstration project will continue operating after the project implementation is over. c) In Scaling up paragraph, please indicate how the use of solid biofuel will be scaled up due to the results of the GEF project. Please use facts of developing new policy,	

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		<p>regulations, and technologies, besides capacity building.</p> <p>MY 3/24/2014</p> <p>Yes. Comments were addressed.</p>	
	<p>14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		
	<p>15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?</p>		
Project Financing	<p>16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?</p>	<p>MY 3/12/2014 Not at this time. Please see comments in Box 7.</p> <p>MY 3/24/2014</p> <p>Yes. Numbers were revised.</p>	
	<p>17. <u>At PIF</u>: Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role? <u>At CEO endorsement</u>: Has co-financing been confirmed?</p>	<p>MY 3/12/2014 Not at this time. The agency's contribution is not adequate. Please consider adding \$100,000 cash onto the current \$60,000 cash co-financing, or as much as possible.</p> <p>MY 3/24/2014</p> <p>Yes. The Agency added \$90,000 in-kind contribution in the revised PIF.</p>	
	<p>18. Is the funding level for project management cost appropriate?</p>	<p>MY 3/12/2014 Yes.</p>	

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	<p>19. <u>At PIF</u>, is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u>, if PPG is completed, did Agency report on the activities using the PPG fund?</p>	<p>MY 3/12/2014 Yes, but the amount does not deviate from the norm.</p>	
	<p>20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?</p>	<p>MY 3/12/2014 Not applicable.</p>	
Project Monitoring and Evaluation	<p>21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?</p>		
	<p>22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?</p>		
Agency Responses	<p>23. Has the Agency adequately responded to comments from:</p>		
	<ul style="list-style-type: none"> • STAP? 		
	<ul style="list-style-type: none"> • Convention Secretariat? 		
	<ul style="list-style-type: none"> • The Council? • Other GEF Agencies? 		
Secretariat Recommendation			
Recommendation at PIF Stage	<p>24. Is PIF clearance/approval being recommended?</p>	<p>MY 3/12/2014 Not at this time. Please address comments in Boxes: 5, 6, 7, 13, 16, and 17.</p> <p>MY 3/24/2014 Yes. All comments were addressed and all</p>	

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		questions were answered.	
	25. Items to consider at CEO endorsement/approval.	<p>MY 3/24/2014</p> <p>Please present market research results on the use of solid biofuels. If the GEF does not finance the project, how will the solid bio-fuels be used by other sectors or wasted?</p> <p>However, please clarify the linkage between this project with the Thai Technology Needs Assessment (TNA) in the CEO endorsement document.</p>	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		
	First review*	March 12, 2014	
Review Date (s)	Additional review (as necessary)	March 24, 2014	
	Additional review (as necessary)		

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.