



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

GEF ID:	4459		
Country/Region:	Bangladesh		
Project Title:	Development of Sustainable Renewable Energy Power Generation		
GEF Agency:	UNDP	GEF Agency Project ID:	3948 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-3; CCM-3; CCM-3; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$4,077,272
Co-financing:	\$29,750,000	Total Project Cost:	\$33,827,272
PIF Approval:		Council Approval/Expected:	November 01, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Dimitrios Zevgolis	Agency Contact Person:	Faris Khader

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	DZ/AL, 18 May 2011: Yes.	
	2. Has the operational focal point endorsed the project?	17 Feb 2011: The endorsement letter is signed by Dr. Mihir Kanti Mazumder, but since the end of January 2011 Mr. Mesbah ul ALAM, Secretary, Ministry of Environment and Forests, is the OFP. DZ/AL, 18 May 2011: A new endorsement letter signed by the current OFP has been sent.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	DZ/AL, 18 May 2011: Yes, UNDP has extensive experience and a mandate to work with technical assistance in renewable energy projects.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	DZ/AL, 18 May 2011: This is a grant.	
	5. Does the project fit into the Agency's program and staff capacity in the	DZ/AL, 18 May 2011: Yes.	

Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	DZ/AL, 18 May 2011: Yes.	
	• the focal area allocation?	DZ/AL, 18 May 2011: Yes.	
	• the LDCF under the principle of equitable access	n/a	
	• the SCCF (Adaptation or Technology Transfer)?	n/a	
	• Nagoya Protocol Investment Fund		
Project Consistency	• focal area set-aside?	n/a	
	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	DZ/AL, 18 May 2011: Yes.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	DZ/AL, 18 May 2011: Yes, the project contributes to the FA objective CCM-3.	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	DZ/AL, 18 May 2011: Yes.	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	DZ/AL, 18 May 2011: Yes.	
	11. 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?	DZ/AL, 18 May 2011: No, it is not clear which of the proposed activities are the baseline activities and which are those to be GEF-funded. The proposed baseline financing (co-financing) seems sufficient to achieve the proposed outputs.	

Project Design		AL, Sept 6, 2011: Comment addressed but please note that for CEO endorsement request we expect more detailed baseline descriptions of activities that would be undertaken without the GEF grant and that the GEF funding will build upon (UNDP Green Fund for example).	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	DZ/AL, 18 May 2011: No. Please address the above comment. AL, Sept 6, 2011: Comment addressed but please note that an analytical incremental reasoning is expected at CEO endorsement request.	
	14. Is the project framework sound and sufficiently clear?	DZ/AL, 18 May 2011: The focus of the project is on capacity building and TA activities and the majority of the GEF funding is requested to finance such activities. However, capacity building and policy support has already been promoted extensively by a number of ODA institutions in the country. For some examples of recent TA, pilot/demonstration installations and capacity building, please see: WB/GEF project Rural Electrification and Renewable Energy Development with extensive TA and capacity building to REB, as well as activities by KfW, GTZ, Asian Development Bank, DFID, Energising Development (Dutch-German Initiative), Grameen Shakti and Islamic Development Bank Apart from	

		<p>government/agencies, support has also been provided to IDCOL, BRAC and to local communities on a regular basis in the last years.</p> <p>Furthermore, the proposed cofinancing for the described TA activities seems adequate for their implementation with significantly less GEF financing.</p> <p>Please consider the revision of the project framework and budget in order to use the GEF resources to boost investments in building renewable energy production plants.</p> <p>AL, Sept 6, 2011: Comment addressed. Further attention should be given to the allocation of funds during CEO endorsement request but the changes in the PIF are positive.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>DZ/AL, 18 May 2011: The applied methodology and assumptions are not provided.</p> <p>AL, Sept 6, 2011: Methodology and assumptions are provided and are adequate.</p>	
	<p>16. 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>	<p>DZ/AL, 18 May 2011: Socio-economic benefits are expected due to the positive impact of renewable energy production to the national economic growth rate.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>DZ/AL, 18 May 2011: The role of the civil society is taken into consideration and generally described.</p>	

	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	DZ/AL, 18 May 2011: Yes, in general.	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	DZ/AL, 18 May 2011: Not clearly. There are past and existing initiatives with similar objectives. AL, Sept 6, 2011: An improved description is provided.	
	20. Is the project implementation/ execution arrangement adequate?	DZ/AL, 18 May 2011: The identified executing partner seems to be the most appropriate.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	DZ/AL, 18 May 2011: PM GEF funding is 7.8% of the total GEF grant. Please justify. AL, Sept 6, 2011: Changes in project management grant is noted and accepted.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	DZ/AL, 18 May 2011: No. GEF funding is considered much higher than needed, given the level of cofinancing and the past and existing country initiatives in the same field. AL, Sept 6, 2011: Increased co-finance in combination with changed allocation for the project components is noted. Comment addressed.	
	25. At PIF: comment on the indicated	DZ/AL, 18 May 2011: The indicative	

	At CEO endorsement: indicate if confirmed co-financing is provided.	to achieve the TA outputs, however the cofinancing for the 10MW capacity target seems inadequate. AL, Sept 6, 2011: Changes in component funding allocation is noted. Comment addressed.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	DZ/AL, 18 May 2011: No. Only 200,000 USD is provided as cofinancing by UNDP which is very low considering the size of the requested GEF grant. AL, Sept 6, 2011: Increase in the UNDP project funding is noted and is expected to generate positive benefits for the projects as well as positive long term impacts on the Bangladesh renewable energy sector.	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	17 Feb 2011: The proposal is not reviewed due to the lack of an endorsement letter signed by the current OFP. DZ/AL, 18 May 2011: No. The	

		<p>Please contact the GEFSEC before further resubmission.</p> <p>AL, Sept 6, 2011: Project has been redesigned in terms of funding allocation, some activity design and increased co-finance. The project is recommended for PIF approval.</p> <p>DZ, Sept 26, 2011: The indicative GEF funding has decreased, but the project outputs remain the same. PIF clearance is recommended.</p>	
	31. Items to consider at CEO endorsement/approval.	<p>AL, Sept 6, 2011: A clear baseline description, an analytical incremental reasoning, and a clear design for the operation of the SEDA fund is expected at the CEO Endorsement stage.</p> <p>For GHG calculations, the lifetime of 20 years is OK for PVs, while solar lanterns are expected to break (and be replaced with newer, more efficient ones) much sooner. Biomass components lifetime of technology should also be adjusted down.</p>	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	May 18, 2011	
	Additional review (as necessary)	September 06, 2011	
	Additional review (as necessary)		
	Additional review (as necessary)		
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* 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.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	AL, Sept 12, 2011: Yes
	2. Is itemized budget justified?	AL, Sept 12, 2011: Yes
Secretariat Recommendation	3. Is PPG approval being recommended?	AL, Sept 12, 2011: The PPG is not recommended for approval. The co-financing ratio of the PPG must be comparable to the co-financing of the project, at least around 1:3. DZ, Sept 26, 2011: The PPG cofinancing ratio is 3:1. PPG is recommended for approval.
	4. Other comments	
Review Date (s)	First review*	September 12, 2011
	Additional review (as necessary)	September 26, 2011

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