



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS*

THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4718		
Country/Region:	Brazil		
Project Title:	Production of Sustainable, Renewable Biomass-based Charcoal for the Iron and steel Industry in Brazil		
GEF Agency:	UNDP	GEF Agency Project ID:	4675 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-2; CCM-3; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$7,150,000
Co-financing:	\$32,700,000	Total Project Cost:	\$39,850,000
PIF Approval:		Council Approval/Expected:	June 01, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	David Elrie Rodgers	Agency Contact Person:	Oliver Page

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?	Nov 23 2011: Yes, UNFCCC entered into force in 1994.	
	2. Has the operational focal point endorsed the project?	Nov 23 2011: Yes, letter dated Aug 31 2011.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	Nov 23 2011: The agency's comparative advantage is clearly described as its capacity to broker finance from national and international sources to assist countries to implement effective environmental policy, which means the focus is on policy development. However, Table B indicates the majority of funding is being spent on investments (component 3). It is unclear how the investment in	

*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 11-22-2010

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		<p>research and development and then building a full-scale conversion plant fits into what sounds at times to be a project on developing policy frameworks, which seems to be the comparative advantage of the agency. Please ensure that the text describing the project is consistent throughout and that the comparative advantage for the project addresses that project description. If there is a large investment component, more text on that component is needed.</p> <p>DER, January 3, 2012. The revised PIF describes that the Ministry of Science and Technology will lead a formal selection process for a capable partner with the technology and project development experience to implement the pilot plant. However, the overall presentation does not communicate a strong understanding of the iron and steel sector. Please provide additional material in the PIF explaining in more detail the economic, industrial, and environmental aspects of the iron and steel industry in Brazil. Specific details on the economic and policy incentives (and dis-incentives) to use renewable charcoal should be included.</p> <p>DER, March 19, 2012. Additional documentation has been included. At CEO endorsement, we would expect specific proposals for the policies to promote renewable charcoal that will be</p>	

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		needed. Comment cleared.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	Nov 23 2011: There is no non-grant instrument.	
	5. Does the project fit into the Agency's program and staff capacity in the country?	Nov 23 2011: The project appears to fit into the agency's program and staff capacity in the country, but this question will need to be reconsidered after the specific project is described with more clarity. DER, January 3, 2012. Please describe better the capacity of agency staff to provide technical assistance for the investment component of the project. Please document agency staff experience with iron and steel industry. DER, March 19, 2012. Comment cleared.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	Nov 23 2011: Yes, within STAR allocation	
	• the focal area allocation?	Nov 23 2011: Yes, within CC mitigation focal area.	
	• the LDCF under the principle of equitable access	not applicable	
	• the SCCF (Adaptation or Technology Transfer)?	not applicable	
	• Nagoya Protocol Investment Fund	not applicable	
	• focal area set-aside?	not applicable	

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Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	<p>Nov 23 2011: The project is not totally aligned with the results framework. Although some of the text in Table A for outcomes and outputs are listed as in the Focal Area Results Framework (see footnote 3 on page with Table A), particularly for CCM-3 please include the numbers (such as 3.1). Show only one outcome per row in Table A, but more than one output can be listed per outcome. The GHG emissions avoided in CCM-2 is not an outcome in the framework.</p> <p>DER, January 3, 2012. Table A has been filled in appropriately for now. See comment in box 8.</p> <p>DER, March 19, 2012. Comment cleared.</p>	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	<p>Nov 23 2011: Please justify the choices of objectives CC-2 and CC-3. This may be more clear after the outcomes and outputs are clarified in Table A. Note that CCM-2 is about energy savings. Is this project really about energy efficiency, or is it all renewable or perhaps technology transfer (CCM-1)?</p> <p>DER, January 3, 2012. The revised PIF explains that modern charcoal making technologies are available but have not been applied in the iron making industry. This appears to make the case that this could be a CCM-1 (Technology Transfer) project. It is true that application of these technologies can</p>	

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		<p>improve energy efficiency/yield and enable capture of methane emissions, however the justification and reasoning for that is not clear or precise. Please clarify with precision the reasoning for application of CCM-1, CCM-2, and CCM-3 focal area objectives to this project.</p> <p>DER, March 19, 2012. The project will focus entirely on CCM-2. Comment cleared.</p>	
	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?	<p>Nov 23 2011: The project appears to be consistent with the countries strategies and climate change plans.</p> <p>DER, January 3, 2012. Section A.2. should include references to appropriate sections of Brazil's National Communications (NC), National Portfolio Formulation Exercise (NPFE) document, and Technology Needs Assessment (TNA) if available. If documents are not available, please provide documentation.</p> <p>DER, March 19, 2012. Reference included on page 5. Comment cleared.</p>	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	<p>Nov 23 2011: a) The text indicates that the successful development of proper policy frameworks will contribute to sustainability of project outcomes, but it is not clear that this approach will make the outcomes sustainable. For instance, new steel mills in this region have apparently chosen to use mineral coke</p>	

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		<p>instead of sustainable charcoal probably because the value chain of plantations-charcoal-steel production does not seem to be economically feasible and steel production is a global market. Please clearly articulate what are sound reasons for believing that this policy framework approach has a good chance at producing sustainable outcomes.</p> <p>b) The critical barrier affecting the implementation of the baseline project is listed as the technology barrier. This project seems to include improving on technology and that seems like an important contribution sustainability of project outcomes.</p> <p>DER, January 3, 2012.</p> <p>a) The clarifications are helpful, but more detail is needed on whether the policy frameworks will be adopted in a strong enough fashion to support sustainability. We would expect some stronger affirmation by the State or Federal government that incentives will be adopted with sustainable funding. Please clarify.</p> <p>b) There is insufficient justification and reasoning for replicability. Please justify how technology disseminated is enhanced by training, lecturing to technical staff and students, etc. If these elements are considered essential to the project, then they should be funded with co-financing, not with GEF funding.</p> <p>DER, March 19, 2012.</p>	

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		<p>a) The explanation on the policy section is adequate for the PIF. At CEO endorsement we expect more clear description of any needed policy components.</p> <p>b) Regarding the training component 4, the GEF does not wish to participate in this component as it is not our function to train university students. Either reduce the project by the \$450,000 amount or transfer the \$450,000 to component 3 for investment.</p> <p>DER, March 26, 2012. The GEF funding for component 4 has been re-allocated. Comment cleared.</p>	
Project Design	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?	<p>Nov 23 2011:</p> <p>a) Although the baseline project described mentions CDM's involvement in the current situation, there is little discussion about what would happen if the Kyoto Protocol is not continued and CDM is not supported. Please explain the importance of CDM in the sustainability of the baseline project, and how feasible this project may be without CDM support.</p> <p>b) Also, there seems to be much effort by others in this area (see response to question 19). Please ensure that all important ongoing or planned activities in the near-term by other major entities are included in the baseline project.</p> <p>c) Currently the situation in the production of charcoal sounds like many local people are involved in what sounds like a decentralized way. These people</p>	

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		<p>could lose their employment or way of life if charcoal production is industrialized. The fate of this group of people is not addressed in this proposal. Please clarify how these stakeholders are envisioned to be involved in this project.</p> <p>DER, January 3, 2012.</p> <p>a) The revised PIF explains that the CDM project is discontinued. This portion of the comment cleared.</p> <p>b) The response on coordination is not sufficient. Please clarify other related activities and agencies.</p> <p>c) The revised PIF explains the potential socio-economic benefits for charcoal workers as part of a more stable, capital intensive, efficient renewable charcoal production process. This portion of the comment cleared.</p> <p>d) The baseline investment by the Government is not precisely explained. Will the Government be investing in technology transfer for the iron and steel industry or in providing incentives for renewable charcoal utilization in absence of the GEF project? If not, then what is the baseline project?</p> <p>DER, March 19, 2012.</p> <p>a) Comment cleared.</p> <p>b) During PPG phase, ensure adequate coordination with CSO and representatives of laborers. Comment cleared.</p> <p>c) Comment cleared.</p>	

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		d) The baseline description is still weak. During the PPG phase, please document extensively the baseline contributions of the MCT and private companies as identified on page 9 of PIF. Comment cleared.	
	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?	<p>Nov 23 2011: The activities financed do appear to be based on incremental reasoning, however, this question will be considered once more information is provided.</p> <p>DER, January 3, 2012. In order to make this determination, more information needs to be provided. Specifically:</p> <p>a) What is the current level of investment by Brazil iron and steel sector in charcoal utilization?</p> <p>b) What is the current level of investment by Brazil iron and steel sector in energy efficiency improvements?</p> <p>c) What are the potential impacts of global and national economic conditions on the iron and steel sector, and the potential demand for sustainable charcoal?</p> <p>d) Statements in the PIF that "Brazil is one of the largest steel producers in the world and the country's iron and steel industry is considered one of the most</p>	

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		<p>advanced in the world" are not presented in a way that contributes to understanding the baseline project or the incremental reasoning. The claims are not substantiated with figures, such as annual iron and steel output, or types of technologies used, or age of foundries, etc. Without this information, it is difficult to judge whether the incremental use of GEF funds will provide benefits.</p> <p>e) If advanced charcoal technologies are already demonstrated in Brazil (as described in the PIF), please precisely describe the barrier to wider adoption and how the incremental GEF project will address this barrier.</p> <p>f) GEF funding should not be used for laboratory testing of technologies for renewable charcoal.</p> <p>DER, March 19, 2012. Comment cleared.</p> <p>a)-d) Additional information added. Comment cleared.</p> <p>e) Barrier described. comment cleared.</p> <p>f) Thank you for clarifying that co-financing will be used for laboratory testing. Comment cleared.</p>	
	14. Is the project framework sound and sufficiently clear?	<p>Nov 23 2011: The text in Table B is fairly clear, however more information is needed in the PIF text to assess the soundness of the investment in component 3. a) Please address the following in the PIF text: What evidence exists to indicate that the components for improved charcoal production being</p>	

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		<p>designed and tested have a high probability of succeeding within the short term? b) The text indicated that Plantar S.A. was not interested in continuing in the charcoal production business. What company has agreed to participating in building the full scale conversion plant? c) How was the cost estimate of \$19.5 million (GEF + co-financing) for this component 3 arrived at? d) What is being provided by the private sector that is listed as 'inkind' support in the cofinancing table? e) What is planned for the involvement in the project for people who currently work as small producers in charcoal, if charcoal was produced at the industrial scale?</p> <p>DER, January 3, 2012.</p> <p>a) Regarding component 1, policy framework. We would expect to see a stronger commitment to enact and implement proposed policy reforms. Without those clear incentives having the force of law, it is doubtful the technology would be replicated. Please strengthen this component.</p> <p>b) Per the above comment, if Plantar S.A. is not going to be the partner, please clarify the names of partners who are potential bidders for the pilot plant.</p> <p>c) Explanation on the cost of the pilot plant was not provided. Please clarify.</p> <p>d) Please clarify with precision who will provide the \$20M of private sector "grant" co-financing and how it will be</p>	

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		<p>used.</p> <p>e) The workers issue was addressed. This portion of the comment cleared.</p> <p>f) Please clarify how cleaner production assessment of current charcoal production methods will contribute to the project outcomes - if pilot technology is already available and will be demonstrated. This should be supported by co-financing or done as a baseline, not with GEF funds.</p> <p>g) The activities of lecturing to technical staff and students of research institutions/universities, etc., do not seem to contribute to replication of outcomes. GEF funding cannot be used for these activities.</p> <p>h) Please justify including stakeholder agreement on a technology innovation plan as an output. Without policy reform this plan will not contribute to replicability.</p> <p>DER, March 19, 2012. Comment cleared.</p> <p>a) The explanation on the policy section is adequate for the PIF. At CEO endorsement we expect more clear description of any needed policy components.</p> <p>b) A bidding process will be held. Comment cleared.</p> <p>c) More detail provided. Comment cleared.</p> <p>d) Comment cleared.</p> <p>e) Comment cleared.</p> <p>f) Comment cleared.</p>	

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		<p>g) Please see comment in box 10b. Component 2 already is adequately funded to develop any needed documentation. Regarding the training component 4, the GEF does not wish to participate in this component as it is not our function to train university students. Either reduce the project by the \$450,000 amount or transfer the \$450,000 to component 3 for investment.</p> <p>DER, March 26, 2012. g) The GEF funding for component 4 has been re-allocated. Comment cleared.</p>	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	<p>Nov 23 2011: More clarity is needed. Many of the GHG benefits in the value chain from plantations to charcoal production to iron and steel manufacture are in the plantations but the growing of the plantations appear to be already funded as a CDM project. Funding should not be used to pay a second time for the same benefits (and these benefits should not be accounted for twice either) that are being funded and accounted for through CDM. And there is a second CDM project on methane emission mitigation in charcoal production. Please provide clarity about this issue, and also confirm that the only emission reductions included in this project will not be offset via a CDM project. This issue is of great concern, because it appears that most of the emissions reduction benefits have</p>	

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		<p>already been paid for and accounted for via CDM, leaving few emission reductions to be attributed to this project. Please clarify.</p> <p>DER, January 3, 2012. The revised PIF explains that the CDM project has been discontinued and this project is undertaking a new effort. The benefits claimed in this project are for efficiency improvements and methane capture using the modified pilot plant technology. There is some imprecision in the PIF document that appears to conflate the efficiency/yield improvements and the methane capture benefits. Please adjust the presentation and the GEB estimates to indicate clearly the relative contributions of those factors to the GEBs.</p> <p>DER, March 19, 2012. Clarifications were helpful. Comment cleared.</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?	Nov 23 2011: The description is unclear. Please address gender dimensions of the socio-economic benefits to be delivered by the Project. Also, the text indicates that only the charcoal manufacturing portion of the value chain is the focus of the project, but then references to charcoal from sustainable forest plantations and the resulting benefits from sustainable forest plantations keep appearing, such as in the last sentence in the first paragraph of B.3. Please focus the benefits in terms of this proposed project.	

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		<p>DER, January 3, 2012. The revised PIF explains the potential socio-economic benefits for charcoal workers as part of a more stable, capital intensive, efficient renewable charcoal production process. Comment cleared.</p> <p>DER, March 19, 2012. Clarifications were helpful. Ensure that CSO are involved in stakeholder consultation. Comment cleared.</p>	
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	<p>Nov 23 2011: CSOs and NGOs are only mentioned in the context of the Forum on climate change of the state of Minas Gerais, and public participation and indigenous people are not mentioned elsewhere. Please explain how public participation is taken into consideration, its role identified and addressed properly? With all the local decentralized charcoal kiln operations, one would think that having CSOs or the public and local operators involved would be crucial.</p> <p>DER, January 3, 2012. The revised PIF describes the involvement of CSO and NGO during the project design phase. Comment cleared.</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)	Nov 23 2011: There is a great deal of information about Plantar's CDM projects available publicly including economic analysis in the CDM PDD, and that information is very relevant to this proposal. This information was	

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		<p>background for this comment.</p> <p>Please address the following three risks and how they will be mitigated in section B.4. or explain why these should not be considered risks in this project.</p> <p>A) There is the economic risk of forest plantations. If the Kyoto Protocol was not extended, and the CDM was not available, how economically sustainable and viable will sustainable wood flow be from plantations?</p> <p>B) There is the issue of having a wood flow deficit from plantations until the trees mature and more plantations are brought on line. Please address this risk.</p> <p>C) There is the issue that new iron and steel plants are being built and choosing to use coal coke because it appears to be the easier economic choice to make, so there appears to be a relatively high risk that future plants will not use charcoal regardless of policies, in order to compete on the world market.</p> <p>d) As already indicated in the risk table, the risk that charcoal may not be supplied at a cost level competitive to coal coke is very real, so please consider changing the level of risk to high rather than moderate or further explain why it should only be listed as moderate. As indicated, it is out of the</p>	

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		<p>control of the project which makes the risk seem even more risky. One way to combat this risk in terms of this project is to have a large named company as a partner in this project at the PIF stage which is committed to using charcoal.</p> <p>DER, January 3, 2012.</p> <p>a) The requested explanation on Kyoto and CDM was not provided. Please supply.</p> <p>b) Please address the risk of wood flow deficit.</p> <p>c) The risk of industry choosing coke has been addressed. This portion of comment cleared.</p> <p>d) The explanation does not justify a moderate level of risk. Please justify why this risk should not be listed as high.</p> <p>DER, March 19, 2012. Clarifications were helpful. Comment cleared.</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>Nov 23 2011: Although this project focuses on the charcoal production, it is linked to the need for sustainable wood production as well as demand for the charcoal from the iron and steel industry. There appears to be a number of actors involved in this value chain, and the CDM projects seem rather well-known. For instance, PROFOR and BioCarbon Fund are co-financing a study designed to identify institutional and financial arrangements required to mainstream forest plantation business models and promote the potential</p>	

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		<p>development of CDM projects aimed at reducing GHG emissions in the forestry and iron supply chains in the state of Minas Gerais. Please explain how this project will be coordinated with other initiatives in this region and country, given that there appears to be quite a number of actors?</p> <p>DER, January 3, 2012. The revised PIF includes minor comments about coordination. Please expand this important section.</p> <p>DER, March 19, 2012. Clarifications were helpful. Comment cleared.</p>	
	20. Is the project implementation/ execution arrangement adequate?	<p>Nov 23 2011: We will consider this question after the investment component is clarified.</p> <p>DER, January 3, 2012. The revised PIF explains the important role for the Ministry of Science and Technology. Comment cleared.</p>	
	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?		
	23. Is funding level for project management cost appropriate?	Nov 23 2011: At this time, no project management costs will be provided for projects where it is implemented and	

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Project Financing		<p>executed by the same GEF Agency so please reconsider the requested project management costs.</p> <p>If the implementing and executing agencies are different, and for projects requesting GEF project grants of \$2 million and above, then project management costs shall not exceed 5 percent of the GEF project grant unless a detailed budget and reasoning is provided as to why the costs exceed 5 percent.</p> <p>January 3, 2012. The project management cost is \$300,000, which is 4.3% of the requested GEF grant of \$6,850,000. However, the executing agency arrangement is not clearly defined. Please supply.</p> <p>DER, March 19, 2012. Clarifications were helpful. MCT will be the executing agency. Comment cleared.</p>	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>Nov 23 2011: When the outcomes and outputs in Table A are clarified, we will revisit this question. What would be most useful is more information substantiating what the total cost estimate for component 3 (Table B, the investment) is based on.</p> <p>DER, January 3, 2012. As requested, please clarify the role for private sector co-financing and the source of the cost-estimate for the pilot plant.</p>	

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		DER, March 19, 2012. Clarifications were helpful. Comment cleared.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	<p>Nov 23 2011: The indicated co-financing results in a ratio of 1 to 3.16. The GEF is expecting GEF funding: co-financing of at least 1:4 or 1:5, and for an investment as described in Table B, a greater amount of co-financing could be reasonably expected.</p> <p>DER, January 3, 2012. \$8 Million additional co-financing has been reported, but not adequately described. Co-financing levels are still low. Please justify or find additional sources, and coordinate with the answer to box 24.</p> <p>DER, March 19, 2012. Clarifications were helpful. Comment cleared.</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>Nov 23 2011: UNDP is providing \$200,000 grant co-financing which is less than one percent of the co-financing. This amount does not reflect the role of the agency in the project. Please consider a larger amount of co-financing which reflects the high profile role of the agency in the project.</p> <p>DER, January 3, 2012. The new language in section C.1 suggests \$100,000 additional in-kind from UNDP, but this is not clearly explained. How is this co-financing aligned with the project and how will it contribute to</p>	

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		project components? DER, March 19, 2012. UNDP co-financing will contribute to worker issues. Comment cleared.	
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?	DER, January 3, 2012. NA	
	• Convention Secretariat?	DER, January 3, 2012. NA	
	• Council comments?		
	• Other GEF Agencies?	DER, January 3, 2012. NA	
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	<p>Nov 30 2011: Not at this time, please address comments.</p> <p>DER, January 3, 2012. Not at this time. Some comments have been addressed. Please respond to comments in boxes 3, 5, 7, 8, 9, 10, 11, 13, 14, 15, 18, 19, 23, 24, 25, and 26.</p> <p>DER, March 19, 2012. Not at this time. Most comments cleared. Please address issue regarding component 4 in boxes 10 and 14. After this issue is rectified, the PIF will be ready for clearance.</p> <p>DER, March 26, 2012. Yes. All comments cleared.</p>	

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	31. Items to consider at CEO endorsement/approval.	DER, March 19, 2012. a) At CEO endorsement we expect more clear description of any needed policy components. b) Document extensively the baseline contributions of the MCT and private companies as identified on page 9 of the PIF.	
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*	November 30, 2011	
	Additional review (as necessary)	January 03, 2012	
	Additional review (as necessary)	March 19, 2012	
	Additional review (as necessary)		
	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.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	DER, March 19, 2012. a) The completion date of the PPG is not recorded correctly in Table A. Please clarify. b) Component 5 on stakeholder consultations should include a strong emphasis on CSO coordination and worker issues.
	2. Is itemized budget justified?	DER, March 19, 2012.
Secretariat Recommendation	3. Is PPG approval being recommended?	DER, March 19, 2012. Please make note of comments in box 1.

	4. Other comments	
Review Date (s)	First review*	March 19, 2012
	Additional review (as necessary)	

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