



REQUEST FOR PROJECT PREPARATION GRANT (PPG)
PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission date: September 28, 2009

GEF PROJECT ID: 4109
GEF AGENCY PROJECT ID: P119357
COUNTRY(IES): China
PROJECT TITLE: China Energy Efficiency Promotion In Industry
GEF AGENCY(IES): World Bank
OTHER EXECUTING PARTNER(S):
GEF FOCAL AREA(s): Climate Change
GEF-4 STRATEGIC PROGRAM(s): CC-SP2- Industrial EE (see preparation guidelines section on exactly what to write)
NAME OF PARENT/PROGRAM/UMBRELLA PROJECT (if applicable):

A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	12/01/2009
Completion date of PPG	09/01/2010

B. PAST PROJECT PREPARATION ACTIVITIES (\$)

List of Past Project Preparation Activities	Output of the Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
Total Project Preparation Financing				

C. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

<p>Describe the PPG activities and justifications:</p> <p>The China Energy Efficiency Promotion in Industry Project aims to improve energy efficiency and reduce greenhouse gas (GHG) emissions in key industrial sectors in China by addressing both the management and technical aspects of rational use of energy. The project preparation activities would provide solid foundation to ensure quality implementation of, and achievement of results from, GEF interventions. The project preparation funding would cover the following major activities:</p> <ol style="list-style-type: none"> 1) Baseline Situation Analysis – This activity would analyze the baseline situation and improvement opportunities for the Energy Conservation Law in China, which has been newly revised and implemented officially from April 1st, 2008, in order to establish an energy conservation policy, law, and regulation system. Provincial governments have also promulgated new laws and decrees to deepen foundations for implementation. Baseline situation analysis would help to understand current policy framework in China and lay the foundation for designing and conducting capacity building activities. 2) Technical Feasibility Studies – This activity would prepare feasibility studies and strategy papers for the various components of the project including terms of reference, as necessary.
--

- Specific suggestions would be presented for preparing a complete proposal.
- 3) Local Consultation and Workshops – This activity would explore how to implement the Energy Conservation Law in light of local conditions and specific needs in different areas. Local consultation and workshops would be conducted to resolve problems of local government sectors in carrying out energy conservation activities. The implementation of energy conservation law requires a complex private and public sector participation involving the government, market, and society. This activity would help to obtain the practical needs for training and capacity building in different areas
 - 4) Industry Consultation and Demonstration Project Preparation– This activity would conduct investigation in different industries. Industry consultation and workshops would be carried out to know the needs and obstacles in implementing Energy Conservation Law and determine the opportunity for training and capacity building in different industries. Based on the evidence, specific enterprises in key industries would be identified and recruited to carry out the demonstration project. It would also facilitate the preparation of sectoral implementation plan for the demonstration projects in energy intensive industries (in different provinces) such as Iron and Steel, Oil, Chemical, Electric Power, and Construction Material, and etc. (including both State-Owned Enterprises (SOEs) and non-SOEs).
 - 5) Project Management, Financial management, and Procurement Plan – This activity would develop an operational management framework, including institutional arrangements, and financial, procurement, and technical due diligence procedures and methodology.
 - 6) Environmental and Social Management – This activity would provide assistance in social and environmental assessments to ensure no negative effect to environment and community.
 - 7) External Expertise Consultation – This activity would engage expert(s) in energy conservation law from other countries where best practices have been successfully implemented to facilitate preparing the final draft of the proposal. Many developed countries have been successful in promoting energy conservation and curbing the growth of energy consumption per GDP through the combined efforts of the public and private sectors.

List of Proposed Project Preparation Activities	Output of the PPG Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
(a) Baseline Situation Analysis	Project Report	\$10,000	\$9,000	\$19,000
(b) Technical Feasibility Studies	Project Report	\$16,000	\$10,000	\$26,000
(c) Local Consultation and Workshops	Project Report	\$8,000	\$20,000	\$28,000
(d) Industry Consultation and Demonstration Project Preparation	Project Report	\$12,000	\$26,000	\$38,000
(e) Project Management, Financial management, and Procurement Planning	Project Report	\$7,000	\$8,000	\$15,000
(f) Environmental and Social Management	Project Report	\$3,000	\$7,000	\$10,000
(g) External Expertise Consultation	Project Report	\$24,000	\$0	\$24,000
Total Project Preparation Financing		\$80,000	\$80,000	\$160,000

D. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	Project Preparation	Agency Fee
GEF financing	\$80,000	\$8,000
Co-financing	\$80,000	
Total	\$160,000	\$8,000

E. PPG REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹

GEF Agency	Focal Area	Country Name/ Global	(in \$)		
			PPG (a)	Agency Fee (b)	Total c = a + b
World Bank	Climate Change	China	\$80,000	\$8,000	\$88,000
Total PPG Requested			\$80,000	\$8,000	\$88,000

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

F. PPG BUDGET REQUEST

Cost Items	Total Estimated Person Weeks for GEF Grant (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	20	\$40,000	\$80,000	\$120,000
International consultants*	6	\$24,000	\$0	\$24,000
Local travel, meetings, and workshops		\$16,000	\$0	\$16,000
Total PPG Budget		\$80,000	\$80,000	\$160,000

* Annex A for Consultant cost details should be prepared first before completing this table. See notes on Annex A for the required detailed information. This table is the sum of all local and international consultants presented in Annex A.

G. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Steve Gorman, WB GEF Executive Coordinator		9/30/2009	Jiang Ru	202-473-8677	jru@worldbank.org

Annex A

Consultants Financed by the Project Preparation Grant (PPG)

Position / Titles	\$/ Person Week¹	Estimated PWs²	Tasks to be performed
Local			
Senior Energy Efficiency Experts	\$2,000	20	Section C – Tasks 1-6
International			
Senior Energy Conservation Law Experts	\$4,000	6	Section C – Task 7

¹ Provide dollar amount per person week.

² Provide person weeks needed to carry out the task and corresponds to the dollar amount per person week in the previous column.