



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

GEF ID:	<b>4500</b>		
Country/Region:	<b>China</b>		
Project Title:	<b>GEF Large-City Congestion and Carbon Reduction Project</b>		
GEF Agency:	<b>World Bank</b>	GEF Agency Project ID:	
Type of Trust Fund:	<b>GEF Trust Fund</b>	GEF Focal Area (s):	<b>Climate Change</b>
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	<b>CCM-4; CCM-4; Project Mana;</b>		
Anticipated Financing PPG:	<b>\$0</b>	Project Grant:	<b>\$18,180,000</b>
Co-financing:	<b>\$88,330,000</b>	Total Project Cost:	<b>\$106,510,000</b>
PIF Approval:		Council Approval/Expected:	<b>May 01, 2011</b>
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Osamu Mizuno</b>	Agency Contact Person:	<b>Jiang Ru</b>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes.	
	2. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?		
	3. Has the operational focal point endorsed the project?	Yes. An endorsement letter as of March 15 attached. The endorsement letter was signed by the OFP, Mr. Jiandi Ye, for a total of \$20,000,000	
Agency's Comparative Advantage	4. Is the Agency's comparative advantage for this project clearly described and supported?	Yes. Investment and TA. WB has good experiences in the area of the activities of this project in China.	
	5. Is the co-financing amount that the Agency is bringing to the project in line with its role?	No. WB shows no intention to provide cofinancing, which is not appropriate.  4/4/2011, Explanations were provided on why the Bank has the comparative advantage	

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

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

FSP/MSP review template: updated 9-8-2010

		even without their commitment on cofinancing.	
	6. Does the project fit into the Agency's program and staff capacity in the country?	Yes. It is explained.	
Resource Availability	7. Is the proposed GEF/LDCF/SCCF Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	Yes.	
	• the focal area allocation?		
	• the LDCF under the principle of equitable access?		
	• the SCCF (Adaptation or Technology Transfer)?		
	• focal area set-aside?		
Project Consistency	8. Is the project aligned with the focal area/multi-focal area/ LDCF/SCCF results framework?	Yes.	
	9. Are the relevant GEF 5 focal area/ LDCF/SCCF objectives identified?	Yes.	
	10. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, and NCSA?	Yes. It is explained.	
	11. Does the proposal clearly articulate how the capacities developed will contribute to the institutional sustainability of project outcomes?	No. Please elaborate.  4/4/2011, explanations provided.	
	12. Is (are) the baseline project(s) sufficiently described and based on sound data and assumptions?	The baseline is explained to some extent. All the three cities show their commitment on TDM measures. But it is not sufficiently described exactly what will be done in these cities as the baseline TDM activities with sound data and assumptions. In addition, GEF's contributions are explained in very general term such that, "additional support from financial sources such as GEF would help bring relevant international experience," which is not appropriate. Exactly what will be added by	

Project Design		<p>GEF engagement should be clarified. Please make it clearer what would be the real added value of this project and elaborate the incremental reasoning of the GEF involvement.</p> <p>4/4/2011, The descriptions on baseline projects were improved significantly with more concrete information. This is acceptable.</p>	
	13. Is (are) the problem(s) that the baseline project(s) seek/s to address sufficiently described and based on sound data and assumptions?	<p>No. No data provided on to what extent the problems (congestion alleviation and CO2 emission reduction) would be addressed by the baseline activities. Please explain.</p> <p>4/4/2011, Some explanations were provided and it was clarified that more rigorous assessment would be conducted before the CEO endorsement. This is acceptable.</p>	
	14. Is the project framework sound and sufficiently clear?	<p>Not clear yet.</p> <p>1) So far the needs of Component 1 and 3 are not clear. It looks there are significant overlaps with CUTPP project. (See comment on item 23 as well). Please clarify.</p> <p>2) For Component 2, the descriptions on the measures to be taken are too general. Please describe exactly what will be done and installed with more numerical data such as how long BRT will be extended etc. It should be divided into TA and investment in Table B as it clearly has TA elements. More detail description should be provided in the main text.</p> <p>4/4/2011, Explanations were provided and understandable.</p>	

	<p>15. Are the incremental (in the case of GEF TF) or additional (in the case of LDCF/SCCF) activities complementary and appropriate to further address the identified problem?</p>	<p>Please see comments on item 12 4/4/2011, It was explained.</p>	
	<p>16. Are the applied methodology and assumptions for the description of the global environmental benefits/adaptation benefits sound and appropriate?</p>	<p>It is explained that it will be further elaborated by CEO endorsement stage. But still overall impact of this project based on the potentials of each TDM measure should be provided in CO2 emission reduction at this stage. Now just examples are provided and they are calculated without specifying the exact TDM measures and their potentials. Without knowing the potential impacts of specific TDM measures, it is not possible to design a cost-effective project.  4/4/2011, Explanations were provided and it was clarified that more rigorous assessment would be conducted before the CEO endorsement. This is acceptable.</p>	
	<p>17. Has the cost-effectiveness sufficiently been demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?</p>	<p>No. Please see comments on item 16.  4/4/2011, Some explanations were provided and it was clarified that more rigorous assessment would be conducted before the CEO endorsement. This is acceptable.</p>	
	<p>18. Is there a clear description of the socio-economic benefits to be delivered by the project and of how they will support the achievement of environmental/adaptation benefits (for SCCF/LDCF)?</p>	<p>Yes.</p>	
	<p>19. Is the role of civil society, including indigenous people and gender issues being taken into consideration and addressed appropriately?</p>	<p>If anything can be added, please provide.  4/4/2011, The role of local communities and domestic universities and research institutes was added</p>	

	<p>20. 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)</p>	<p>Need to be reevaluated upon receiving responses to the comments in the other items.</p> <p>4/4/2011, It is acceptable.</p>	
	<p>21. Is the provided documentation consistent?</p>	<p>Need to be reevaluated upon receiving responses to the comments in the other items.</p> <p>4/4/2011, Yes.</p>	
	<p>22. Are key stakeholders (government, local authorities, private sector, CSOs, communities) and their respective roles and involvement in the project identified?</p>	<p>Local governments of three cities should be listed as one of the "Other Executing Partners" as appropriate.</p> <p>4/4/2011, Properly addressed.</p>	
	<p>23. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>The relationship with the CUTPP project is not clear. The explanation in B6 is too general. It looks there are significant overlaps with CUTPP project. The CUTPP project has a component on capacity building at national level on "comprehensive planning for sustainable urban transport." The CUTPP project also has TDM demonstration in a few cities, which expect replication effects. Please explain exactly what lessons would be learned from the CUTPP project, what outputs will become bases of this project, why the replications from CUTPP are not sufficient to demonstrate TDM, what is new for this project, and what would be the real added value of this project.</p> <p>It is also mentioned at the meeting between WB EAP and GEF CEO on Feb 24 that ADB is going to engage in transport projects in China as well and coordination is essential. Please provide the results of coordination with ADB and explain how they are reflected in this PIF.</p>	

		4/4/2011, Appropriate explanations were provided.	
	24. Is the project implementation/ execution arrangement adequate?	See comments on item 22.  4/4/2011, It is now appropriate.	
	25. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	26. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	27. Is the GEF/LDCF/SCCF funding level for project management cost appropriate?	The cofinancing is too small for project management. The ratio between GEF funding and cofinancing should be comparable between that of total project cost and that of project management.  4/7/2011, It was properly modified.	
	28. Is the GEF/LDCF/SCCF funding per objective appropriate to achieve the expected outcomes and outputs according to the incremental/additional cost reasoning principle?	Need to be reevaluated upon receiving responses to the comments in the other items.  4/7/2011, It is acceptable.	
	29. Comment on indicated cofinancing at PIF. At CEO endorsement, indicate if cofinancing is confirmed.	WB shows no intention to provide cofinancing, which is not appropriate. Cofinancing should be more specific. At least it should be confirmed that most of the cofinancing is not in-kind.  Also the budgetary arrangement in PIF and that in Annex 1 are not consistent including both GEF financing and cofinancing. Please adjust.  4/7/2011, It was confirmed that most of the cofinancing is not in-kind. Annex 1 was removed and now it is appropriate.	

	30. Is the budget (GEF/LDCF/SCCF funding and co-financing) per objective adequate to achieve the expected outcomes and outputs?	Need to be reevaluated upon receiving responses to the comments in the other items.  4/7/2011, It is acceptable.	
Project Monitoring and Evaluation	31. Has the Tracking Tool been included with information for all relevant indicators, as applicable?		
	32. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	33. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
<b>Secretariat Recommendation</b>			
Recommendation at PIF Stage	<b>34. Is PIF clearance/approval being recommended?</b>	Not at this stage. All the issues mentioned above should be addressed before resubmission.  4/7/2011, The project has been recommended by the PM for CEO PIF clearance.	
	35. Items to consider at CEO endorsement/approval.	- Results of thorough analysis on CO2 emission reduction impact of this project should be provided and the cost-effectiveness of this project should be justified with data.  - Most of the cofinancing should be secured as cash (not in-kind).	
Recommendation at CEO Endorsement/ Approval	36. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	<b>37. Is CEO endorsement/approval being recommended?</b>		
Review Date (s)	First review*	March 24, 2011	
	Additional review (as necessary)	April 04, 2011	

	Additional review (as necessary)	April 07, 2011	
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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.



## REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	<b>3. Is PPG approval being recommended?</b>	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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