



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

GEF ID:	<b>4869</b>		
Country/Region:	<b>China</b>		
Project Title:	<b>Urban-Scale Building Energy Efficiency and Renewable Energy</b>		
GEF Agency:	<b>World Bank</b>	GEF Agency Project ID:	<b>130786 (World Bank)</b>
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-2; CCM-3; Project Mana;</b>		
Anticipated Financing PPG:	<b>\$0</b>	Project Grant:	<b>\$12,000,000</b>
Co-financing:	<b>\$152,100,000</b>	Total Project Cost:	<b>\$164,100,000</b>
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Ming Yang</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?	MY 3/19/2012: Yes.	
	2. Has the operational focal point endorsed the project?	MY 3/19/2012: Yes.  MY 3/27/2012:  But the Agency did not fill in Table A of Part III on page 15. Please revise it.  MY 4/2/2012: Cleared.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	MY 3/19/2012: Yes.	

\*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 11-22-2010

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	MY 3/19/2012: There is not any non-grant instrument in the project.	
	5. Does the project fit into the Agency's program and staff capacity in the country?	MY 3/19/2012: It does.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	MY 3/19/2012: There have been enough STAR resources left in China to finance this project as of March 2012.	
	• the focal area allocation?	MY 3/19/2012: As of March 19, China has utilized \$66,942,499, 44.7% of its total STAR allocation in Climate Change focal area. The country has a remainder of \$82,657,501.	
	• the LDCF under the principle of equitable access	MY 3/19/2012: Not applicable.	
	• the SCCF (Adaptation or Technology Transfer)?	MY 3/19/2012: Not applicable.	
	• Nagoya Protocol Investment Fund	MY 3/19/2012: Not applicable.	
	• focal area set-aside?	MY 3/19/2012: Not applicable.	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	MY 3/19/2012: Yes.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	MY 3/19/2012: Yes.	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant	MY 3/19/2012: Yes.	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	conventions, including NPFE, NAPA, NCSA, or NAP?		
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	MY 3/19/2012: Yes.	
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>MY 3/19/2012: Baseline is not clearly developed and stated in the PIF. More work needs to be done. Please use a quantitative approach.</p> <p>MY 3/27/2012:  A quantitative approach was used. Baseline has been developed and stated in the PIF, but the summary of the baseline is missing. Please add a paragraph and a table at the end of Section B1 on page 7 that that is similar to the last paragraph on page 10.</p> <p>Please also include a brief summary for each of the three sections titled Components 1, 2 and 3 on pages 8 and 9.</p> <p>MY 4/2/2012: Cleared.</p>	
	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?		

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>MY 3/19/2012: Increment costs and benefits are not clearly calculated and stated in the PIF. More work needs to be done. A quantitative approach will help resolve this issue.</p> <p>MY 3/27/2012: Increment costs and benefits are calculated and presented, but it is not clear how the policies that are developed in the project will actually be implemented throughout China during and after the project. Please also see the comments in Box 20.</p> <p>MY 4/2/2012: Cleared.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>MY 3/27/2012: Not sufficiently clear.</p> <p>1. In Tables A and B on pages 1 and 2, none of the outputs has measurable targets. As it stands, it is not possible to track or measure results from this project. It is suggested that some of the targets in Tables A and B be described and/or included in page 10 and other places.</p> <p>2. Again in Tables A and B on pages 1-4, each expected FA outcome needs a budget figure. The PIF should provide clear information on how much GEF funds will be invested in hard ware assets.</p> <p>MY 4/4/2012:</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		Tables A and B Cleared.	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	<p>MY 3/19/2012: Not at this time. Please clearly state in figures of GHG mitigation on: (1) what would happen if without GEF involvement in the project; and (2) what will happen if with the GEF involvement in the project.</p> <p>MY 3/19/2012: Yes, the Agency revised the PIF accordingly.</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>MY 3/19/2012: Gender dimensions are not described at this time. The PIF briefly states that the project will benefit labor market and improve people's living standard. Please state the socio-economic benefits in a more specific and convincing manner.</p> <p>MY 3/26/2012: Gender dimensions are discussed but need to be further addressed at CEO endorsement stage. It is suggested that during project preparation, the Agency undertake an on-site investigation in China on how this project will create new jobs to women. For example, given that the project will lead to investments in a number of PV production factories, the Agency may look at the statistic data from current Chinese PV production factories, and show the ratio of female employees to male employees in such PV production factories, and compare this ratio with that of other local industrial production factories.</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?	<p>MY 3/19/2012: The project will involve a large number of people in China including CSOs. The PIF listed some CSOs and other organizations, but it does not clearly state their roles in the project. Please add their roles.</p> <p>MY 3/26/2012: It is 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)	<p>MY 3/19/2012: Yes, but very briefly. In GEF Endorsement stage, the part should be strengthened.</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>MY 3/27/2012: The project is coordinated with other related initiatives, but not enough.</p> <p>There is no reference made to the National Communications. It is necessary to refer this project to the China National Communications.</p> <p>There is also no reference or linkage to the China Technology Needs Assessment (TNA) project. Please consider potential coordination of the two projects as appropriate.</p> <p>Please revise Section C2 on page 14.</p> <p>MY 4/2/2012: Cleared.</p>	
	20. Is the project implementation/ execution arrangement adequate?	<p>MY 3/27/2012: The PIF shows some project</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>implementation and execution arrangement, but not enough.</p> <p>It is unclear how the project will actually implement and enforce the city-based policies and programs or the national guidance. Please clarify it further in the Section of "Incremental benefits of the proposed project" on page 9 or page 10, and also have the clarification reflected in Table B on pages 1-3. Please also see Box 13.</p> <p>MY 4/2/2012: 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?		
Project Financing	23. Is funding level for project management cost appropriate?	<p>MY 3/19/2012:</p> <p>Not at this time. The project management cost is budgeted at \$600,000 from GEF, or 5.26% of the sub-total of the GEF budget (\$11,400,000). Please revise it so that the percentage of project management cost is no more than 5% of the sub-total of the GEF budget.</p> <p>MY 3/27/2012: The GEF project management cost is revised to \$570,000, or 4.98% of the</p>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		<p>sub-total of the GEF budget.</p> <p>However, the ratio of Project Management Cost to be borne by GEF to the Project Management Cost to be borne by co-financing is 1:3.5. In the meantime, the ratio of total GEF funds to the total co-financing is 1:13.2 (see Table A on page 1). There is a huge difference between the two ratios. Please consider reducing the difference by allocating some of GEF project management costs to the project components and increasing the Project Management Cost to be borne by co-financing.</p> <p>MY 4/2/2012: Revised accordingly. The budget of GEF Project Management Cost has been revised from \$570,000 to \$500,000. This project will be executed by three organizations for its three components. Thus, three offices will be established. It is acceptable that GEF finances \$500,000 with co-financing of \$2,000,000 for the costs of project management.</p>	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	MY 3/26/2012: Yes, it is.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	MY 3/19/2012: Yes.  The project is budgeted at \$11,400,000	



Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		from GEF, and \$150,000,000 from co-financing. The ratio at this time is 1:13.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	MY 3/19/2012: Yes. The Agency will bring \$120 million hard loan to the project, and the Agency's role in the project is to deliver the loan.	
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	<b>30. Is PIF clearance/approval being recommended?</b>	MY 3/19/2012: Not at this time. Revisions are needed in Boxes: 11, 13, 15, 16, 17, and 23.  MY 3/27/2012:  Further revisions need to be made. See Boxes 2, 11, 13, 14, 19, 20, and 23.  MY 4/2/2012:  Revisions were made and comments were cleared.	
	31. Items to consider at CEO	MY 3/19/2012:	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	endorsement/approval.	Potential major risks should be stressed in more detail at CEO endorsement stage. See Box 18.  MY 3/26/2012:  The Agency agreed to further address gender issue in more detail during CEO endorsement stage. See Box 16.	
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?		
	<b>33. Is CEO endorsement/approval being recommended?</b>		
Review Date (s)	First review*		
	Additional review (as necessary)		
	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?	
	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)	
--	----------------------------------	--

\* 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.