## Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility (Version 5)

## STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: January 27, 2012 Screener: Lev Neretin

Panel member validation by: Nijavalli H. Ravindranath
Consultant(s): Margarita Dyubanova

I. PIF Information (Copied from the PIF)
FULL SIZE PROJECT GEF TRUST FUND

GEF PROJECT ID: 4603 PROJECT DURATION: 4 COUNTRIES: Colombia

PROJECT TITLE: Low-carbon and Efficient National Freight Logistics Initiative

**GEF AGENCIES: IADB** 

**OTHER EXECUTING PARTNERS**: Ministry of Transport

**GEF FOCAL AREA:** Climate Change

## II. STAP Advisory Response (see table below for explanation)

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies): Minor revision required

## III. Further guidance from STAP

The project aims to reduce GHG emissions from freight transportation operations in Columbia. STAP notes that this is an innovative project in the GEF addressing for the first time low carbon freight transport. STAP supports the project in general and recommends the following issues to be addressed during project preparation:

- 1. Selection of technologies: A number of the technological interventions are mentioned in the PIF. Will there be a package or individual technologies for improving vehicle efficiency? Technical performance and reliability of the proposed technologies will be an issue for the truck owners. Specific criteria for selecting technologies or packages of technologies should be specified.
- 2. Financial viability of the technology package is not clear. An investment of \$25,000 is required per truck and will the financial returns from savings of fuels or other monetary benefits offset the investment cost and generate additional revenues to the truck owners in Columbia? The risks arising from high incremental costs for retrofit technologies, low performance of the technologies and low profits are not addressed.
- 3. According to the PIF, the transportation sector is characterized by informal, fragmented and dispersed ownership of the trucks with 70% of the trucks being single owned. It will be a challenge to motivate these individual truck owners to subject their trucks to modernization. What is the financial incentive for them and how this challenge of decentralization being met?
- 4. Similarly training and capacity building of large number of dispersed truck drivers will be a challenge. How will they be compensated for their participation in the training programmes? Reducing GHG emission will not be the first priority for the truck owners.
- 5. STAP expresses an interest to be informed by the Implementing agency about the development of the project's GHG accounting methodology ,and as far as feasible sharing this methodology with the GEF partners. If successful, results of this project should be used to update the existing GEF GHG transportation methodology by adding a freight component/model.

STAP advisory	Brief explanation of advisory response and action proposed
response	
1. Consent	STAP acknowledges that on scientific/technical grounds the concept has merit. However, STAP may

		state its views on the concept emphasising any issues that could be improved and the proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.
2.	Minor revision required.	STAP has identified specific scientific/technical suggestions or opportunities that should be discussed with the proponent as early as possible during development of the project brief. One or more options that remain open to STAP include:  (i) Opening a dialogue between STAP and the proponent to clarify issues  (ii) Setting a review point during early stage project development and agreeing terms of reference for an independent expert to be appointed to conduct this review  The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.
3.	Major revision required	STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical omissions in the concept. If STAP provides this advisory response, a full explanation would also be provided. Normally, a STAP approved review will be mandatory prior to submission of the project brief for CEO endorsement.  The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.