



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

GEF ID:	5828		
Country/Region:	Colombia		
Project Title:	Promotion of Industrial Energy Efficiency in Colombian Industries		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-1; CCM-2; CCM-2;		
Anticipated Financing PPG:	\$25,000	Project Grant:	\$1,692,500
Co-financing:	\$17,869,898	Total Project Cost:	\$19,612,398
PIF Approval:	June 12, 2014	Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ming Yang	Agency Contact Person:	Ms. Bettina Schreck

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 ?	MY 5/1/2014 Yes.	MY 5/13/2015 Yes.
	2. Has the operational focal point endorsed the project?	MY 5/1/2014 Yes. Project cost: \$1,717,500 Project management cost: \$110,000 Agency fee: \$172,500 Total: \$2,000,000	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> • the STAR allocation? 	MY 5/1/2014 Yes. As of 5/1/2014, this country had a	MY 5/13/2015 Yes.

*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 January 2013

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		remainder of \$5,630,781 in the STAR allocation.	
	<ul style="list-style-type: none"> the focal area allocation? 	<p>MY 5/1/2014 Yes.</p> <p>As of 5/1/2014, this country had a remainder of \$4,863,900 in the CCM allocation.</p>	MY 5/13/2015 Yes.
	<ul style="list-style-type: none"> the LDCF under the principle of equitable access 	MY 5/1/2014 Not applicable.	MY 5/13/2015 Not applicable.
	<ul style="list-style-type: none"> the SCCF (Adaptation or Technology Transfer)? 	MY 5/1/2014 Not applicable.	MY 5/13/2015 Not applicable.
	<ul style="list-style-type: none"> the Nagoya Protocol Investment Fund 	MY 5/1/2014 Not applicable.	MY 5/13/2015 Not applicable.
	<ul style="list-style-type: none"> focal area set-aside? 	MY 5/1/2014 Not applicable.	MY 5/13/2015 Not applicable.
Strategic Alignment	<p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives? <i>For BD projects: Has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track progress toward achieving the Aichi target(s).</i></p>	<p>MY 5/1/2014 Yes.</p> <p>This project is aligned with CCM-1: "Promote the demonstration, deployment, and transfer of innovative low-carbon technologies;" and CCM-2: "Promote market transformation for energy efficiency in industry and the building sector."</p>	MY 5/13/2015 Yes, as in the PIF.
	<p>5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?</p>	<p>MY 5/1/2014 Not at this time.</p> <p>Please address the consistency of this project with the GEF National Portfolio Formulation Exercise, the Second National Communication of Colombia to the UNFCCC, and the Nationally Appropriate Mitigation Action of Colombia.</p>	MY 5/13/2015 Yes, as cleared in the PIF.

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		<p>MY 6/10/2014 Comments cleared on pages 4 and 14.</p>	
Project Design	<p>6. 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>	<p>MY 5/1/2014 Yes. But there are a number of typos in the PIF, particularly in Section 2: Baseline scenario and baseline project. Please check the PIF carefully and clear the typing errors.</p> <p>MY 6/10/2014 Comments cleared in the PIF.</p>	<p>MY 5/13/2015 Yes, it is described on pages 9-14.</p>
	<p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p>	<p>MY 5/1/2014 Not at this time. In Component 4 (Promotion of a financial mechanism for investment at enterprise level), it is not clear which financial mechanisms will be designed for individual enterprises. Please specify and detail the mechanisms and applications in both Table B and in the section of Incremental Reasoning in the PIF.</p> <p>MY 6/10/2014 Comments cleared on page 7 in the PIF.</p>	<p>MY 5/13/2015 Not at this time. The components of "INVs" in Table B need to be revised, and investment in tangible assets for demonstration should be described. Please articulate the investment and installation of energy efficient boilers, motors, steam systems, pumps, or other industrial technologies in the selected 150 entities and 45 manufacturing facilities for demonstrations.</p> <p>MY 7/2/2015 Comments were addressed.</p>
	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>MY 5/1/2014 Not at this time. The figures of greenhouse gas (GHG) emission reductions in the main body of the PIF and in Annex B are not consistent. Please check the figures carefully and revise them.</p> <p>MY 6/10/2014 Comments cleared on pages 9 and 24.</p>	<p>MY 5/13/2015 Yes, they are indicated on pages 46-50.</p>

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	<p>9. 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>		<p>MY 5/13/2015 Yes, on pages 31 and 32.</p>
	<p>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p>	<p>MY 5/1/2014 Not at this time. Please address gender issues and estimate the impact of the project on indigenous peoples if it is relevant.</p> <p>MY 6/10/2014 Comments cleared on pages 10 for gender issues, and the project is not related to indigenous peoples as indicated on page 2 of the agency's responses to the GEF comments.</p> <p>MY 6/10/2014 Comments cleared on page 10.</p>	<p>MY 5/13/2015 Yes, as cleared in the PIF.</p>
	<p>11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience)</p>	<p>MY 5/1/2014 Not enough at this time. Please take into account the risk of successful implementation of standards and technical regulations that are the major expected outputs of the project.</p> <p>MY 6/10/2014 Comments cleared on page 12.</p>	<p>MY 5/13/2015 Not at this time. Risks for two project outputs have not been considered.</p> <p>1. Standards and technical regulations.</p> <p>If the government does not accept, support, and implement the mandatory standards as proposed in the expected outcomes of component 1 on page 2, what will the Agency do to deal with the risk?</p> <p>2. Demonstration projects.</p>

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			<p>In Table B on pages 2 and 3, demonstration projects are not clearly described (also see comments in Box 7). It is difficult to assess the risk levels of the demonstration projects. Please complete Table B, re-estimate the risk level, and put the information on page 24.</p> <p>MY 7/2/2015 Comments were addressed.</p>
	<p>12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>MY 5/1/2014 Yes.</p>	<p>MY 5/13/2015 Yes.</p>
	<p>13. Comment on the project's innovative aspects, sustainability, and potential for scaling up.</p> <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. 	<p>MY 5/1/2014 Not enough at this time.</p> <p>Please write one paragraph for each of the following three topics: Innovation, Sustainability, and Scaling-up.</p> <p>Innovation: What is innovative in the project when compared with others in the country?</p> <p>Sustainability: What will happen to this GEF project after it is completed?</p> <p>Scaling-up: How will the project outputs be applied in other areas or other part of the country?</p> <p>MY 6/10/2014 Comments cleared on page 10.</p>	<p>MY 5/13/2015 Yes, as cleared in the PIF.</p>

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	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		MY 5/13/2015 Yes, with reasonable changes.
	15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?		MY 5/13/2015 Yes. Since there are limited alternative approaches in industrial energy efficiency promotion in Columbia, the Agency compared the proposed project with those in Ecuador.
Project Financing	16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?	MY 5/1/2014 Yes.	MY 5/13/2015 Not completed at this time. The funding for INV components may need to be increased, since equipment installation in the demonstration projects that has not yet been planned may need more capital. MY 7/2/2015 Comments were addressed.
	17. <u>At PIF</u> : Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role? <u>At CEO endorsement</u> : Has co-financing been confirmed?	MY 5/1/2014 Yes.	MY 5/13/2015 Not at this time. It seems that the co-financing amounts from Colciencias, namely \$612,208 in cash and \$30,610 in-kind, are not valid for this project. This is due to the following two reasons. First, the co-financing amounts incurred in 2014. Second, the co-financing was for R&D in energy efficiency for the country. It was not directly linked to the proposed GEF project. Without the GEF's intervention, these co-financing amounts happened already. Please provide more evidence and stronger arguments to justify that the Colciencias' amounts can be claimed as co-financing

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			for this proposed GEF project. If negative, please find other co-financing amounts to replace these two. MY 7/2/2015 Comments were addressed.
	18. Is the funding level for project management cost appropriate?	MY 5/1/2014 Yes. It is less than 10%.	MY 5/13/2015 Yes.
	19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund?	MY 5/1/2014 Yes. The requested amount does not deviate from the norm.	MY 5/13/2015 Yes, on page 45.
	20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?	MY 5/1/2014 Not applicable.	MY 5/13/2015 Not applicable.
Project Monitoring and Evaluation	21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		MY 5/13/2015 Yes.
	22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		MY 5/13/2015 Yes.
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		MY 5/13/2015 Not applicable.
	• Convention Secretariat?		MY 5/13/2015 Not applicable.
	• The Council?		MY 5/13/2015 Not applicable.

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	<ul style="list-style-type: none"> Other GEF Agencies? 		MY 5/13/2015 Not applicable.
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	<p>MY 5/1/2014 Not at this time. Please address comments in Boxes: 5, 7, 8, 10, 11, and 13.</p> <p>MY 6/10/2014 Yes. Comments were cleared.</p>	
	25. Items to consider at CEO endorsement/approval.	<p>MY 6/10/2014 Estimate indirect GHG emission reductions.</p>	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		<p>MY 5/13/2015 Not yet. Please address comments in Boxes: 7, 11, 16, and 17. Please submit the CEO ER in MS-Word format or in PDF format with high resolution. The previous submitted PDF file has poor resolution in the computer screen.</p> <p>MY 7/2/2015 Comments were cleared.</p>
	First review*	May 01, 2014	May 13, 2015
	Additional review (as necessary)	June 10, 2014	July 02, 2015
Review Date (s)	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.**