

CEO COVER MEMO

PROJECT IDENTIFICATION FORM

DECISION SOUGHT: CEO PIF Approval for MSP

SUMMARY INFORMATION:

GEF ID	5114
COUNTRY/-IES	Ecuador
NAME OF PROJECT	Securing Energy Efficiency in the Ecuadorian Residential and Public Sectors (SECURE)
GEF AGENCY/-IES	UNDP
DATE RECEIVED BY PM	October 18, 2012
DATE REVIEW COMPLETED BY PM	October 18, 2012
PROGRAM MANAGER	Ming Yang
FOCAL AREA	Climate Change
PROJECT TYPE	Medium Size Project

BRIEF REASONING FOR RECOMMENDATION TO CEO (MAX 0.5 PAGE):

Objective of the proposed Project: To increase the share of energy-efficient electric appliances and lighting in the residential and public sectors.

The project consists of following components: (1) establishment of a conducive governance framework that promotes the adoption of EE appliances by the residential and public sectors; (2) development of national technical capacities to effectively implement, apply, and enforce EE standards for household appliances entering the market; and (3) removal of a target volume of EE household appliances (refrigerators) to catalyze the phase-out and replacement of obsolete and energy inefficient household appliances.

Innovative value of the project: This project will support the development and implementation of the Ecuador's Renova Program. The programme was created by Presidential Decree 741 of the country to accelerate the introduction of energy-efficient, class "A" refrigerators under residential end-users and simultaneously removes old equipment from the market. It is ambitious new to Ecuador.

Achieving project scale and sustainability: Once the project achieves its goals and sub-goals in the individual components, it will a great impact on phase-out and replacement of obsolete and energy inefficient household appliances in the country.

Alignment with the focal area strategy: This project will facilitate energy efficiency in buildings. Thus, the project is in line with CCM-2 strategy: "Promote market transformation for energy efficiency in industry and the building sector."

Co-financing amounts and sources: Requested GEF Project Grant is \$1.76 million including project management cost and Co-financing is \$23.64 million. The major co-financing sources are from (1) government grant (\$9.66 million in cash), soft loan of the government (\$12.93 million) and in-kind contributions of the national government (\$1 million).

GHG emission reduction: The target of global environment benefit is to directly reduce 20 metric tons and indirectly reduce 500 metric tons of CO₂e. If achieved, this will generate a ratio of GEF incremental cost versus GHG emission mitigation at approximately US\$3.3/ton CO₂e.

FINANCING:

- Requested GEF Project Grant: \$1,776,484, Co-financing: \$23,637,600
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- Project Cofinanced at a ratio 1 : 13.31
- Project Management Budget \$80,182 actual 4.51% of project management with respect to the total GEF Grant.
- Ratio of Project Management to the cofinancing for Project Management 1 : 3.24

PROGRAM MANAGER

TEAM LEADER

PROGRAM ASSISTANT