



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

GEF ID:	<b>5114</b>		
Country/Region:	<b>Ecuador</b>		
Project Title:	<b>Securing Energy Efficiency in the Ecuadorian Residential and Public Sectors (SECURE)</b>		
GEF Agency:	<b>UNDP</b>	GEF Agency Project ID:	<b>5150 (UNDP)</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>\$1,776,484</b>
Co-financing:	<b>\$23,637,600</b>	Total Project Cost:	<b>\$25,414,084</b>
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Ming Yang</b>	Agency Contact Person:	<b>Oliver Page</b>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	MY, September 20, 2012: Yes.	
	2. Has the operational focal point endorsed the project?	MY, September 20, 2012: Not yet at this time.  MY, October 17, 2012: Cleared. The letter is in the PMIS.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	MY, September 20, 2012: Yes.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	MY, September 20, 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, September 20, 2012:  Yes.	
	6. Is the proposed Grant (including the Agency fee) within the resources		

Resource Availability			
	<ul style="list-style-type: none"> <li>the STAR allocation?</li> </ul>	<p>MY, September 20, 2012:</p> <p>Yes. The country has an amount of \$31,830,000 STAR allocation. As of September 20, 2012, it has utilized \$ 19,830,421, and has a reminder of \$11,999,579.</p>	
	<ul style="list-style-type: none"> <li>the focal area allocation?</li> </ul>	<p>MY, September 20, 2012:</p> <p>Yes. In Climate change focal area, the country has an amount of \$4,070,000 STAR allocation. As of September 20, 2012, it has utilized \$448,334, and has a reminder of \$3,621,667. This amount is enough to cover the total budget of the current project (\$1,768,182).</p>	
	<ul style="list-style-type: none"> <li>the LDCF under the principle of equitable access</li> </ul>	<p>MY, September 20, 2012:</p> <p>N/A</p>	
	<ul style="list-style-type: none"> <li>the SCCF (Adaptation or Technology Transfer)?</li> </ul>	<p>MY, September 20, 2012:</p> <p>N/A</p>	
	<ul style="list-style-type: none"> <li>Nagoya Protocol Investment Fund</li> </ul>	<p>MY, September 20, 2012:</p> <p>N/A</p>	
	<ul style="list-style-type: none"> <li>focal area set-aside?</li> </ul>	<p>MY, September 20, 2012:</p> <p>N/A</p>	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	<p>MY, September 20, 2012:</p> <p>Yes, with CCM-2: Promote market transformation for energy efficiency in industry and the building sector.</p>	
	8. Are the relevant GEF 5 focal/ multifocal areas/ LDCF/SCCF/NPIF	<p>MY, September 20, 2012:</p>	

	<p>9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?</p>	<p>MY, September 20, 2012: Not at this time.</p> <p>The project is consistent with the following energy policies and strategies of Ecuador: Plan Nacional del Buen Vivir, 2009-2013; Government priorities and mandates under Art. 414 of the Constitution; Presidential Decree 741 (21 April 2011); and Ecuador's First National Communication.</p> <p>But the PIF does not contain review information on Ecuador's national strategies and plans or reports and assessments under the Technology Needs Assessment (TNA) and in the Second National Communication. Please review the country's TNA and the Second National Communication, and clarify consistency with national needs and priorities as articulated in these Convention-related documents.</p> <p>MY, October 17, 2012: Cleared. The PIF has been revised as requested.</p>	
	<p>10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?</p>	<p>MY, September 20, 2012: Yes. The conducive governance and legal framework for adopting the use of EE appliances by the residential and public sector, and the new household appliances on the market to meet established energy efficiency performance standards will contribute to</p>	

Project Design	<p>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>	<p>MY, September 20, 2012: Not at this time.</p> <p>The Agency described that the government Renova programme is the baseline of the GEF project. The government Renova programme was initiated on 12 April 2011. The agency tried to use the GEF grant to facilitate the programme. There is not a clear description on the baseline scenario: "Without the GEF involvement, what would happen to the Rnova programme?". Will the "government Renova programme" be delayed, or fail? What will be the market share of energy efficient appliances in the next 10 years if GEF is not involved in the project? Please describe it and present relevant data and assumptions.</p> <p>MY, October 17, 2012: Cleared. The PIF has been revised as requested.</p>	
	<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?</p>		
	<p>13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?</p>	<p>MY, September 20, 2012: Not at this time.</p> <p>Please use new baseline data and assumptions proposed in Box 11 to justify the incremental reasoning.</p> <p>MY, October 17, 2012: Cleared. The PIF has been revised as requested.</p>	

	14. Is the project framework sound and sufficiently clear?	MY, September 20, 2012: Yes.	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	MY, September 20, 2012: Not at this time. See comments in Boxes 11 and 13.  MY, October 17, 2012: Comments in Boxes 11 and 3 are cleared.	
	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?	MY, September 20, 2012: Partially yes. It is acceptable that the agency describe these issues in more detail in CEO Endorsement.	
	17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?	MY, September 20, 2012: Yes.	
	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)	MY, September 20, 2012: Yes.	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	MY, September 20, 2012: Yes.	
	20. Is the project implementation/ execution arrangement adequate?	MY, September 20, 2012: Yes.	
	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	management cost appropriate?	Yes. It is less than 5% of the net-GEF grant.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	MY, September 20, 2012: Yes.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	MY, September 20, 2012: Yes.  The total project budget is approximately \$25.4 million, of which \$22 million is cash from the government. The ratio of GEF fund versus co-financing fund is 1:13.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	MY, September 20, 2012: Not at this time.  The Agency plans to put \$40,000 cash in the project. Please consider contribute more resources from the UNDP in the project.  MY, October 17, 2012: Cleared. The agency raised its cash financing from \$40,000 to \$50,000.	
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:		

	<ul style="list-style-type: none"> <li>• Convention Secretariat?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Council comments?</li> </ul>		
	<ul style="list-style-type: none"> <li>• Other GEF Agencies?</li> </ul>		
Secretariat Recommendation			
Recommendation at PIF Stage	<b>30. Is PIF clearance/approval being recommended?</b>	<p>MY, September 20, 2012: Not at this time. Please see comments in Boxes: 2, 9, 11, 13, 15 and 26.</p> <p>MY, September 20, 2012: Not at this time. Please see comments in Boxes: 2, 9, 11, 13, 15 and 26.</p> <p>MY, October 17, 2012: Yes, comments in Boxes 2, 9, 11, 13, 15 and 26 are cleared. The PIF has been technically cleared and may be included in an upcoming Work Program.</p> <p>1) At CEO endorsement, we expect a detailed description of the system for collection and destruction of ODS from old appliances. However, the GHG benefits from destruction should not be counted in the global emissions benefit analysis.</p> <p>2) At CEO endorsement, please document coordination with regional and global efforts on standards and labeling for refrigerators and appliances, such as the efforts in Andean countries, in Mexico, the SEAD initiative, and efforts by CLASP. The lessons learned from the on-going Mexico refrigerator replacement program could be very useful.</p>	
	<b>31. Items to consider at CEO</b>		

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*	September 20, 2012	
	Additional review (as necessary)	October 17, 2012	
	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?	MY, September 20, 2012: Yes. They are.
	2. Is itemized budget justified?	MY, September 20, 2012: Yes. It is.
Secretariat Recommendation	<b>3. Is PPG approval being recommended?</b>	MY, September 20, 2012: Yes.
	4. Other comments	MY, September 20, 2012:  The ratio of GEF fund versus Co-financing fund is 1:1.3. It is less than the ratio in the PIF. However, it is accepted. .  The rates to pay the consultants are reasonable. Once the PIF is cleared, the PPG can move forward.
Review Date (s)	First review*	September 20, 2012
	Additional review (as necessary)	

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