



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

GEF ID:	<b>5609</b>		
Country/Region:	<b>Gambia</b>		
Project Title:	<b>Greening the Productive Sectors in Gambia: Promoting the Use and Integration of Small to Medium Scale Renewable Energy Systems in the Productive Uses</b>		
GEF Agency:	<b>UNIDO</b>	GEF Agency Project ID:	
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-3;</b>		
Anticipated Financing PPG:	<b>\$0</b>	Project Grant:	<b>\$1,319,635</b>
Co-financing:	<b>\$3,175,388</b>	Total Project Cost:	<b>\$4,495,023</b>
PIF Approval:	<b>December 11, 2013</b>	Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>David Elrie Rodgers</b>	Agency Contact Person:	<b>Alois Posekufa Mhlanga</b>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
<b>Eligibility</b>	1. Is the participating <b>country eligible</b> ?	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 2015. Yes.
	2. Has the <b>operational focal point</b> endorsed the project?	DER, Oct 10, 2013. Yes. Mr. Ndey Streng Bakurin, GEF Focal Point, endorsed the project for a total of \$1,505,000, including PPG and agency fees, on 30 August 2013.	DER/MGV, January 6, 2015. Yes.
<b>Resource Availability</b>	3. Is the proposed Grant (including the Agency fee) within the <b>resources available</b> from (mark all that apply):		
	• the STAR allocation?	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 2015. Yes.
	• the focal area allocation?	DER, Oct 10, 2013. Yes, however, please note the following. With two proposed	DER/MGV, January 6, 2015. Yes, but since the Climate Change focal area is

\*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 January 2013

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		MSPs for CCM focal area, #5466 that requests \$542,025 of CCM resources, and this project with requests \$1,505,000 of CCM resources, the total request will exceed the \$2,000,000 of CCM allocation by a small delta of \$47,025. As Gambia has limited flexibility, the small delta will be have to come from either the BD or LD allocations.	over-utilized by \$47,031, this excess must come from the unused resources of the Biodiversity and Land Degradation focal areas, which is possible given that Gambia has an allowed marginal adjustment of \$200,000 and that amount is available from the other two focal areas.
	• the LDCF under the principle of equitable access	DER, Oct 10, 2013. NA	DER/MGV, January 6, 2015. NA.
	• the SCCF (Adaptation or Technology Transfer)?	DER, Oct 10, 2013. NA	DER/MGV, January 6, 2015. NA.
	• the Nagoya Protocol Investment Fund	DER, Oct 10, 2013. NA	DER/MGV, January 6, 2015. NA.
	• focal area set-aside?	DER, Oct 10, 2013. NA	DER/MGV, January 6, 2015. NA.
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF <b>results framework and strategic objectives</b> ? <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>	DER, Oct 10, 2013. Yes, the proposed project aligns with CCM-3, renewable energy.	DER/MGV, January 6, 2015. Yes, the proposed project aligns with CCM-3, promoting investments in renewable energy technologies.
	5. Is the project consistent with the recipient <b>country's national strategies and plans</b> or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	DER, Oct 10, 2013. Yes, the project is consistent with country priorities for power and clean energy and the national communications and NAPAs.	DER/MGV, January 6, 2015. Yes, the project is consistent with The Gambia's National Energy Policy, the Renewable Energy Law of 2013, its second NC, its National Appropriate Mitigation Action Plan, and Vision 2020.
	6. Is (are) the <b>baseline project(s)</b> , including problem(s) that the baseline project(s) seek/s to	DER, Oct 10, 2013.  The project includes the following	DER/MGV, January 6, 2015. Yes.

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Project Design	address, sufficiently described and based on sound data and assumptions?	<p>components.</p> <ol style="list-style-type: none"> <li>1. Development of strategy and regulation on the integration of small-to-medium scale RE systems.</li> <li>2. Demonstrating technical feasibility and promoting investments</li> <li>3. Renewable energy projects entrepreneurship skills development</li> </ol> <p>Please address the following comments.</p> <ol style="list-style-type: none"> <li>1) There are many similarities in the proposed project to an existing UNDIO GEF-4 project in Gambia. Please clearly describe the differences and why this new project is needed.</li> <li>2) Regarding component 1, please clarify the status of the Gambia renewable energy policy, when it may be adopted into law, and whether the regulations developed in the proposed project will be adopted and implemented during the project period.</li> <li>3) Given the extensive work in Gambia under the GEF-4 project, and the borrowing of similar project execution modalities, we would encourage the project planning period to be very short so the project funding can begin to flow to Gambia as quickly as appropriate. Please clarify.</li> </ol> <p>DER, Dec 2, 2013.</p> <ol style="list-style-type: none"> <li>1) The response documents important differences in this project, which will focus on productive uses, on-grid generation, and training. Comment cleared.</li> </ol>	

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		2) The response indicates the law is expected to be adopted in February 2015, and implementation will feature strongly in this proposed project. Comment cleared. 3) The response indicates the planning period will be short. Comment cleared.	
	7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 2015. Yes.  The project includes the following components:  1. Development of strategy and regulation on the integration of small-to-medium scale renewable energy systems. 2. Demonstrating technical feasibility and promoting investments 3. Renewable energy projects entrepreneurship skills development 4. Monitoring and evaluation
	8. (a) Are global environmental/ adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 2015. Yes. It is estimated that the project will result in 44,334 tCO <sub>2</sub> e direct emission reduction over 20 years and from 133,000 up to 152,000 tCO <sub>2</sub> e indirect emissions reductions.
	9. Is there a clear description of: a) the <b>socio-economic benefits</b> , 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?		DER/MGV, January 6, 2015. Yes.
	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified	DER, Oct 10, 2013. Yes, this is very well described.	DER/MGV, January 6, 2015. Yes.

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	and explicit means for their engagement explained?		
	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)	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 2015. Yes.
	12. Is the <b>project consistent and properly coordinated</b> with other related initiatives in the country or in the region?	DER, Oct 10, 2013. Please see box 6. DER, Dec 2, 2013. Comment cleared.	DER/MGV, January 6, 2015. Yes. In addition to national plans and policy, the project closely follows work done by the agency during a GEF-4 project.
	13. Comment on the project's <b>innovative aspects, sustainability, and potential for scaling up.</b> <ul style="list-style-type: none"> <li>Assess whether the project is innovative and if so, how, and if not, why not.</li> <li>Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</li> <li>Assess the potential for scaling up the project's intervention.</li> </ul>	DER, Oct 10, 2013. The main innovation under this project derives from the adoption of a business model approach to the development of medium scale grid connected renewable energy systems in a developing country context like Gambia. By developing and operationalising a strategy, the project will provide guidance in the development of small to medium scale renewable energy systems in the productive sectors as well as other sectors beyond the life of this project. Through youth entrepreneurship development, the project will tap into the resourcefulness and dynamism of the youth to develop and manage small to medium scale renewable energy projects.	DER/MGV, January 6, 2015. The innovation, sustainability and potential for scale up results from project activities to operationalize a regulation enacted to integrate small and medium-scale RE systems, catalyzing renewable energy market development. The 6 demonstration projects themselves are innovative for the region, and will serve as business model examples for the country and region. The project will also build the capacity of financial institutions to appraise renewable energy projects and thus provide affordable financing in the future, catalyzing renewable energy market development. Finally, the project will train youth and women entrepreneurs, as well as set up a special window under a Renewable Energy Fund to support projects owned by youth and women.

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		<p>DER/MGV, January 6, 2015. The main change in the project structure from PIF is for component 2: demonstrating technical feasibility and promoting investments. An outcome was added to set up a women and youth renewable energy entrepreneurship fund in response to stakeholder feedback during the PPG. \$100,000 of GEF resources were redistributed within this project component to capitalize the fund.</p> <p>The rest of the GEF resources for component 2 are now dedicated to the demonstration projects, which increased from 3 to 6 (from 0.4 MW to 1.2 MW capacity installed), while the development and promotion of a portfolio of viable small to medium-scale investment projects will not use any GEF resources. The agency justifies this change by claiming having received more high quality renewable energy project proposals than anticipated, signifying the need for investment support for the development of RE projects. The agency believes that by supporting more demonstration projects, there will be higher replication potential. Correspondingly, cofinancing for this project component increased from \$900,000 to \$2,250,703, and total cofinancing increased from \$3,000,000 to \$3,175,388.</p> <p>While the justifications for the changes are clear, it should be noted that there is no involvement from local banks or</p>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
			financiers in the development of these demonstration projects, and it is unclear if the project will be successful in securing local financing to support the portfolio of viable projects developed under output 2.3. Nevertheless, the project does include a capacity building component for local project developers and financiers.
	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?		DER/MGV, January 6, 2015. Yes.
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?	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 2015. Yes
	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?	DER, Oct 10, 2013. Please evaluate the level of co-financing in component 2, investment portion. If the model is to provide GEF incentives to help reduce interest rates for project developers, then the ratio of \$600,000 GEF funding to \$1,200,000 local financing seems too high. We would expect debt providers to be able to leverage GEF grant funding used as a credit enhancement to a much larger extent. Please clarify.  DER, Dec 2, 2013. The response indicates that specific ratios of incentive financing and co-financing will be explored during project design. We expect the project design phase to study	DER/MGV, January 6, 2015. Yes.

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
		mechanisms that can maximize local bank financing. Comment cleared.	
	18. Is the funding level for <b>project management cost</b> appropriate?	DER, Oct 10, 2013. Yes.	DER/MGV, January 6, 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?	DER, Oct 10, 2013. Yes. A PPG is requested. The amount is consistent with the norm.	DER/MGV, January 6, 2015. Yes. The PPG was completed and the Agency reported on the use of the PPG funds and the activities associated with it.
	20. If there is a <b>non-grant instrument</b> in the project, is there a reasonable calendar of reflows included?	DER, Oct 10, 2013. No non-grant instrument in the project.	DER/MGV, January 6, 2015. No.
Project Monitoring and Evaluation	21. Have the appropriate <b>Tracking Tools</b> been included with information for all relevant indicators, as applicable?		DER/MGV, Dec 30, 2014. Yes.
	22. Does the proposal include a <b>budgeted M&amp;E Plan</b> that monitors and measures results with indicators and targets?		DER/MGV, January 6, 2015. Yes.
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		DER/MGV, January 6, 2015. NA
	• Convention Secretariat?		DER/MGV, January 6, 2015. NA
	• The Council?		DER/MGV, January 6, 2015. NA
	• Other GEF Agencies?		DER/MGV, January 6, 2015. NA
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	DER, Oct 10, 2013. Please address the comment in box 6, 12, 17.	
	25. Items to consider at CEO	DER, Dec 2, 2013. During the project	



Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
	endorsement/approval.	design phase, we expect a complete study of mechanisms that can maximize local bank financing.	
Recommendation at CEO Endorsement/ Approval	<b>26. Is CEO endorsement/approval being recommended?</b>		DER/MGV, January 6, 2015. Yes. This project is technically cleared and can be submitted for CEO Approval. We recommend during implementation the implementing agency work with local banks to identify opportunities for co-financing of demonstration projects.
	First review*	October 10, 2013	January 06, 2015
Review Date (s)	Additional review (as necessary)	December 02, 2013	
	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.**