



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

GEF ID:	<b>4921</b>		
Country/Region:	<b>India</b>		
Project Title:	<b>Efficient and Sustainable City Bus Services</b>		
GEF Agency:	<b>World Bank</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-4; CCM-4; Project Mana;</b>		
Anticipated Financing PPG:	<b>\$0</b>	Project Grant:	<b>\$9,200,000</b>
Co-financing:	<b>\$85,000,000</b>	Total Project Cost:	<b>\$94,200,000</b>
PIF Approval:		Council Approval/Expected:	<b>June 01, 2012</b>
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	<b>Hiroaki Takiguchi</b>	Agency Contact Person:	<b>Akiko Nakagawa</b>

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	HT, April 2, 2012: Yes.	
	2. Has the operational focal point endorsed the project?	HT, April 2, 2012: Yes, an endorsement letter was signed by OFP Mr. Pande in the amount of \$10.12 million.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	HT, April 2, 2012: Yes.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	HT, April 2, 2012: No non-grant instrument.	
	5. Does the project fit into the Agency's program and staff capacity in the country?	HT, April 2, 2012: Yes.	
	6. Is the proposed Grant (including the		

\*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 11-22-2010

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Resource Availability	Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	HT, April 2, 2012: Yes.	
	• the focal area allocation?	HT, April 2, 2012: Yes.	
	• the LDCF under the principle of equitable access	N/A	
	• the SCCF (Adaptation or Technology Transfer)?	N/A	
	• Nagoya Protocol Investment Fund	N/A	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	HT, April 2, 2012: Yes, it is aligned with CCM-4, especially public transit systems and energy efficiency improvement of the fleet.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	HT, April 2, 2012: Yes, the objective of CCM-4 (Promote energy efficient, low-carbon transport and urban systems) is identified. Please rectify the description in A1.1. Energy efficient, low-carbon transport and urban systems are climate change objective 4, not objective 5.	
	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?	HT, April 2, 2012: Please refer to the National Portfolio Formulation Exercise (NPFE) done by India.  HT, April 6, 2012: Description on NPFE has been added. Comment cleared.	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	HT, April 2, 2012: Yes.	

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Project Design	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>HT, April 2, 2012: The PIF explains the baseline project would provide financial support to city bus service through replenishment of bus fleets. Does that mean the baseline project would add a number of buses on 15,260 buses already sanctioned? If that is the case, how many buses would be added? Please explain.</p> <p>HT, April 6, 2012: The baseline project has been explained clearly. Comment cleared.</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?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	<p>HT, April 2, 2012: This will be examined again after receiving responses to the comments for other items.</p> <p>HT, April 6, 2012: Yes, the activities financed by GEF funding are based on incremental cost reasoning. Comment cleared.</p>	
	14. Is the project framework sound and sufficiently clear?	<p>HT, April 2, 2012: Please address the following comments:</p> <p>a) The strategy and project frameworks contain no quantitative outputs. Please modify.</p> <p>b) The project components in Table B and the text do not match (i.e. 1, 2, 3 versus 1, 2A, 2B). Please modify.</p>	

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		<p>c) Project management is not a project component. Please modify.</p> <p>Component 1:</p> <p>d) This component includes promotion of decentralization to city governments and capacity building for cities. On the other hand, the PIF explains that the state governments have the responsibility for bus transport and that the legislation encourages monopoly operation of road services by the State Transport Undertakings (STU) (page 5). Under such circumstances, will the state governments accept delegation of the authorities to the city governments? Please justify.</p> <p>e) How many cities will adopt low-carbon programs (Output 1.2)? Please explain.</p> <p>Component 2A:</p> <p>f) The component expects improved financial planning and increased use of private sector participation as one of the outputs (Output 2.2). However, the output seems to be already covered in the condition of financial assistance under JNNURM (e.g. use PPP for operations, Urban Transport Fund, waive/reimburse state and local taxes on public transport etc.) Please justify.</p> <p>Component 2B:</p> <p>g) How many cities are targeted in this component? Are the targeted cities in Component 2B the same as the ones in</p>	

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		<p>Component 2A? Please explain.</p> <p>HT, April 6, 2012: a) b) c) Comment cleared. d) It seems this comment has not been addressed. Please explain. e) f) g) Comment cleared.</p> <p>HT, April 11, 2012: d) The activity for decentralization to city governments has been elaborated. Comment cleared.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>HT, April 2, 2012: In the description of the Global Environmental Benefit (page 10), the estimated substance is carbon dioxide, not carbon. Please rectify it.</p> <p>HT, April 6, 2012: Comment cleared.</p>	
	<p>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?</p>	<p>HT, April 2, 2012: Yes. In addition to socio-economic benefits described in the PIF, reduction of local environmental pollutants (e.g. air pollutants) might be an important benefit.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>HT, April 2, 2012: Yes.</p>	
	<p>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)</p>	<p>HT, April 2, 2012: Yes, generally. Risk mitigation measures should be elaborated by the CEO endorsement stage if the PIF is cleared.</p>	

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	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>HT, April 2, 2012: The GEF/ADB regional project (GEF ID #4236) titled "GHG Assessment Methodologies in Public Transport" includes a component of development of policies guiding and regulating public transport operations. India is one of the targeted countries. Please explain how to coordinate with this project.</p> <p>HT, April 6, 2012: Coordination with the GEF/ADB project has been added. Comment cleared.</p>	
	20. Is the project implementation/ execution arrangement adequate?	<p>HT, April 2, 2012: Not clear. In the GEF terminology, "execution" generally includes the management and administration of the day-to day activities of projects in accordance with specific project requirements in an agreement with the agency responsible for implementation. Based on this, please revisit the institutional arrangement for implementation. When the World Bank also acts as the executing entity, the WB should identify possible cost savings which should be reflected in the budget line item for Project Management Costs.</p> <p>HT, April 6, 2012: The role of the WB has been justified. Comment cleared.</p>	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		

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	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	<p>HT, April 2, 2012: No. The percentage of the Project Management Cost (PMC) before PMC is 5.7% (= 500,000/8,700,000). It should not exceed 5% without clear justification. In addition, the ratio of GEF PMC to total PMC should be the same as the ratio of the GEF project grant to total project cost.</p> <p>HT, April 6, 2012: The percentage of the revised PMC is 4.5%. Although the ratio of GEF PMC to total PMC is slightly higher than the ratio of the GEF project grant to total project cost, it is acceptable.</p>	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>HT, April 2, 2012: Please consider the co-financing for Component 2A. To implement the activities of the component successfully, co-financing is required as commitments for baseline activities.</p> <p>HT, April 6, 2012: The co-financing for Component 2A has been added. Comment cleared.</p>	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	<p>HT, April 2, 2012: Please address the comments in box 24 and 26.</p> <p>HT, April 6, 2012: Please address the comments in box 26.</p>	
	26. Is the co-financing amount that the	HT, April 2, 2012:	

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	Agency is bringing to the project in line with its role?	<p>There is no co-financing from the World Bank. Please consider co-financing which reflects the high profile role of the WB in the project. Does the project have any linkages with other (ongoing or subsequent) financing from the WB? The PIF describes "The WB may consider IBRD financing upon request from Ministry of Finance, GoI." This sentence is the excerpt from the NPF. The PIF should clarify how the WB responds to this.</p> <p>HT, April 6, 2012: The current situation in the Indian government has been explained. Does that mean the WB will consider IBRD financing upon request from the Indian Ministry of Finance? If that is the case, please articulate it.</p> <p>HT, April 11, 2012: The World Bank's intention to consider co-financing has been added. Comment cleared.</p>	
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:		
	• STAP?		
	• Convention Secretariat? • Council comments?		

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	<ul style="list-style-type: none"> <li>Other GEF Agencies?</li> </ul>		
<b>Secretariat Recommendation</b>			
Recommendation at PIF Stage	<b>30. Is PIF clearance/approval being recommended?</b>	<p>HT, April 2, 2012: Not at this stage. Please address the above comments.</p> <p>HT, April 6, 2012: Please address the comments in box 14 and 26.</p> <p>HT, April 11, 2012: Yes, all comments cleared. The PIF is recommended for clearance.</p>	
	31. Items to consider at CEO endorsement/approval.	<p>HT, April 11, 2012: In elaborating the methodology and assumptions to estimate the GHG emission reduction, please refer to the GEF/STAP Manual for "Calculating GHG benefits of GEF Transportation Projects."</p>	
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*	April 02, 2012	
	Additional review (as necessary)	April 06, 2012	
	Additional review (as necessary)	April 11, 2012	
	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**

<b>Review Criteria</b>	<b>Decision Points</b>	<b>Program Manager Comments</b>
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	<b>3. Is PPG approval being recommended?</b>	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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