



PROJECT PREPARATION GRANT (PPG)

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

Submission date: 15 August 2012

Resubmission date: 13 September 2012

Resubmission date: 19 September 2012

Resubmission date: 31 January 2013

GEF PROJECT ID: 5087

GEF AGENCY PROJECT ID: XXIND11X05

COUNTRY(IES): India

PROJECT TITLE: Organic Waste Streams For Industrial Renewable Energy Applications In India

GEF AGENCY(IES): UNIDO, (select), (select)

GEF FOCAL AREA(s): Climate Change

A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	04/01/2013
Completion date of PPG	09/30/2014

B. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

Describe the PPG activities and justifications: The PPG activities will include the comprehensive assessment of the key market players, relevant governmental and scientific institutions, financial institutions and target industries, companies and technologies for investment and realisation during project implementation. In addition, background analysis will be carried out on the development and improvement of market economy tools and public policy instruments in India to trigger investments in the field of organic waste applications in industry, with the overall aim to reduce greenhouse gas (GHG) emissions, increase energy independence and improve competitiveness of the national economy through low-carbon industrial development. The PPG activities will include data collection, stakeholder consultations, mobilisation of co-financing and the preparation of the detailed project document.

1. Collection of supplemental data

Considerable baseline data has been gathered during the preparation of the PIF. Detailed analysis on policy and regulatory frameworks relevant to promotion of organic waste applications in industry, and identification of responsible institutions and capacity needs of market players will be conducted during PPG. Further detailed data is needed for a careful analysis on the needs and available technologies for the target industrial sectors; energy use patterns and technical requirements for implementation of such applications; investment and financial market mechanisms, etc. The findings will be encompassed in a comprehensive study outlining the rationale and opportunity organic waste applications in target SMEs in India. Market enablers (e.g. manufacturers, financial institutions) and support institutions (e.g. research, training institutions, quality control and standardization bodies, etc.) will be consulted on their capacity development needs. Once capacity gaps are identified, interventions will be proposed.

2. Design implementation projects

Selection of implementation projects, detailed design of the project implementation scheme and selected projects including feasibility analysis, and mobilization of the co-financing will be performed during PPG phase. The implementation projects should demonstrate technical and financial feasibility of organic waste streams.

As part of the project, selected industries and SMEs will be invited to invest in waste-to-energy technologies to showcase the technical feasibility and commercial viability of modern organic waste-to-energy technologies. These investments need to be detailed and coordinated with other project activities, with a view to creating synergies between the public and private sectors during the implementation of renewable energy projects. These projects will need to be selected in such a manner that they address the identified critical barriers and have large replication potential.

3. Stakeholder consultations

Stakeholders have been consulted in preparation of the PIF of this project. More detailed consultations, focusing on details of the project implementation, their capacities, specific needs and requirements, roles and contributions of the various stakeholders, will take place during PPG phase.

Governmental institutions, public agencies and market actors interested by the project objective and activities will be consulted to discuss their views on the detailed objectives of and institutional arrangements for this project, to assess whether their involvement in its execution can be enlarged, to secure their commitment to critical outputs and to agree on the activities they could undertake as a part of their contribution to the project success.

4. Project strategy and implementation detailing

Based on the activities described above, the detailed planning of the full-sized project will be completed. Collaboration with related initiatives will be ensured when designing project strategies and defining the scope and activities for the pilot projects.

In summary, the PPG activities, which will lead to the GEF project document, will include:

- Evaluation of the social, economic and financial sustainability of proposed project activities;
- Identification of a set of viable outcomes, outputs and activities that constitute the most cost effective response to the identified threats and barriers;
- Costing of expected project outcomes and outputs, co-financing sources and co-financing commitments in compliance with the GEF incremental principle;
- Estimation of potential GHG emission reductions and a cost-effectiveness analysis;
- A monitoring and evaluation plan, including a set of impact indicators to track the project's progress and effectiveness, baseline and target values on indicators.

List of Proposed Project Preparation Activities	Output of the PPG Activities	Trust Fund	Grant Amount (a)	Co-financing (b)	Total c = a + b
1. Collection of supplemental/ baseline data and analysis	Supplementary data collected is used in finalizing the project document; a comprehensive study for the rationale and opportunity of organic waste applications in industry in India.	GEF TF	15,000	15,000	30,000
2. Design of implementation projects and securing and structuring of finance streams	Detailed feasibility studies projects. Structuring of finance streams and development of	GEF TF	30,000	30,000	60,000

	innovative financial instruments.				
3. Stakeholder consultations	Stakeholder buy-in in the proposed project implementation strategy.	GEF TF	15,000	15,000	30,000
4. Project strategy and details of implementation	Detailed GEF project document produced for UNIDO approval and CEO endorsement (including strategy, detailed activities per component, indicators, measurement, assumption, risks, monitoring and evaluation plan) Incremental cost matrix finalized for GEF budget (including log framework, baseline, GEF alternative, national and global benefits)	GEF TF	20,000	20,000	40,000
Total Project Preparation Financing			80,000	80,000	160,000

C. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	Project Preparation	Agency Fee
Grant Amount	80,000	7,600
Co-financing	80,000	
Total	160,000	7,600

D. PPG AMOUNT REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES) 1

Trust Fund	GEF Agency	Focal Area	Country Name/ Global	(in \$)		
				PPG (a)	Agency Fee (b)	Total c = a + b
GEF TF	(select)	(select)				0
(select)	(select)	(select)				0
Total PPG Amount						

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.



E. PPG BUDGET

Cost Items	Total Estimated Person Weeks for Grant (PW)	Grant Amount (\$)	Co-financing (\$)	Total(\$)
Local consultants *	26.00	26,000	20,000	46,000
International consultants*	15.00	45,000	20,000	65,000
Travel			20,000	20,000
Miscellaneous		9,000	20,000	29,000
			0	0
				0
Total PPG Budget		80,000	80,000	160,000

* Annex A for Consultant cost details should be prepared first before completing this table. See notes on Annex A for the required detailed information. This table is the sum of all local and international consultants presented in Annex A.

F. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF LDCF/SCCF Trust Fund criteria for project identification and preparation.

UNIDO GEF Focal Point	Signature	Date	Project Contact Person	Telephone	Email Address
Mr. Dmitri Piskounov, Managing Director PTC, UNIDO GEF Focal Point		01/31/2013	Mr. Mark Draeck, Industrial Development Officer, Energy and Climate Change Branch, UNIDO	+431 26026 5317	m.draeck@unido.org 

Annex A

Consultants Financed by the Project Preparation Grant (PPG)

Type of Consultant	Position / Titles	\$/ Person Week¹	Estimated PWs²	Tasks to be Performed
Local	National Energy Expert	1000	26	<p>Collect supplemental data on domestic solar market, capacities, barriers and needs.</p> <p>Consultations with public and private sector stakeholders; report on the project priorities of the national government and private sector actors</p> <ul style="list-style-type: none"> - Structuring of the finance streams from government sources, GEF and others - Design of financing modalities between donors and cofinancing partners - Development of appropriate business models to be applied during implementation - Securing of cofinancing <p>TECHNICAL:</p> <ul style="list-style-type: none"> - Identification of target applications in target industries (e.g. through Call for Proposals) - Detailed assessment (techno-economical feasibility) of target interventions - Clear overview and rationale for focusing the action, including prioritisation of target interventions for short-term, and pipeline development for medium-term
International	International Energy Expert	3000	15	<p>Collect supplemental data on energy use patterns, international best practice, technology suppliers, etc.</p> <p>Consultations with public and private sector stakeholders</p> <p>Undertake detailed designing of the implementation projects and project strategy</p> <p>Provide expertise on the international best practices and lessons learnt in the design and implementation of similar projects</p> <ul style="list-style-type: none"> • Assist in the preparation of the project's logical framework and M&E plan, with a set of measurable impact and progress indicators. • Review and profile baseline and barrier information delivered by the local

			<p>experts.</p> <ul style="list-style-type: none"> • Assist the local project team to define project scope and provide recommendations on the suggested project strategy and design. • Assess sustainability of suggested project outcomes and outputs. • Recommend possible projects. • Provide other guidance for the implementation of the PPG and preparation of the FSP proposal, as needed. <p>Project strategy and details of implementation</p> <ul style="list-style-type: none"> - Preparation of project document (including strategy, detailed activities per component, indicators, measurement, assumption, risks, monitoring and evaluation plan) - Incremental cost matrix finalized for GEF budget (including log framework, baseline, GEF alternative, national and global benefits) - Private sector investment plan developed with co-financing confirmed from the various stakeholders
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¹ Provide dollar amount per person week.

² Provide person weeks needed to carry out the task