



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

GEF ID:	5520		
Country/Region:	Indonesia		
Project Title:	Large Enterprises Energy Efficiency Project		
GEF Agency:	World Bank	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-2;		
Anticipated Financing PPG:	\$0	Project Grant:	\$5,480,000
Co-financing:	\$244,000,000	Total Project Cost:	\$249,480,000
PIF Approval:		Council Approval/Expected:	November 01, 2013
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ming Yang	Agency Contact Person:	Jiang Ru

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 8/14/2013 Yes.	
Resource Availability	2. Has the operational focal point endorsed the project?	MY 8/14/2013 Yes. The letter was signed on July 16, 2013. The total endorsed amount for the project was \$6 million including \$520,000 agency fees.	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
Resource Availability	• the STAR allocation?	MY 8/14/2013	

		As of August 14, 2013, Indonesia had a remainder of \$27.19 million STAR resources.	
	• the focal area allocation?	MY 8/14/2013 Yes. As of August 14, 2013, Indonesia had a remainder of \$19.13 million CCM resource.	
	• the LDCF under the principle of equitable access	MY 8/14/2013 Not Applicable.	
	• the SCCF (Adaptation or Technology Transfer)?	MY 8/14/2013 Not Applicable.	
	• the Nagoya Protocol Investment Fund	MY 8/14/2013 Not Applicable.	
	• focal area set-aside?	MY 8/14/2013 Not Applicable.	
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives ? <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>	MY 8/14/2013 Yes. It is aligned with CCM-2.	
	5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	MY 8/14/2013 Not at this time. In November 2010, Indonesia submitted its second national communications to the UNFCCC	

		<p>MY 8/30/2013 Cleared.</p> <p>"Indonesia's Technology Needs Assessment on Climate Change Mitigation 2012", was submitted to UNFCCC.</p> <p>Please address project consistency with these reports.</p> <p>MY 8/30/2013 Cleared.</p>	
Project Design	<p>6. 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 8/14/2013</p> <p>Not at this time.</p> <p>The PIF does not describe the baseline on sound data and assumptions. It uses second-hand qualitative information. Please describe the baseline scenario quantitatively. See box 8 regarding the GEF/STAP methodology to estimate GHG emission reduction for this project.</p> <p>MY 8/30/2013 Cleared.</p> <p>More quantitative analysis using the GEF/STAP methodology is expected in the CEO endorsement stage.</p>	
	<p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p>	<p>MY 8/14/2013</p> <p>Not at this time.</p> <p>Please estimate the number of large enterprises that the WB loans will be delivered to.</p> <p>Please put the number of targeted ESCOs for development.</p> <p>MY 8/30/2013 Cleared.</p>	

	<p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p>	<p>MY 8/14/2013</p> <p>Not at this time.</p> <p>The PIF development merits more quantitative analysis. Global environment benefits from this project are estimated with second hand information. On page 10 of the PIF, the estimates imply that the project will allow 100% achievement of energy savings potential in both steel and pulp/paper industry. It would be helpful to clarify the assumed baseline for energy efficiency improvements in these sectors without the GEF/IBRD project; and the incremental benefits of the alternative scenario.</p> <p>It may be helpful to use GEF/STAP methodology to calculate GHG emission mitigation as the tool provides a dynamic baseline methodology. See "Revised Methodology for Calculating Greenhouse Gas Benefits of GEF Energy Efficiency Projects (Version 1.0)" at http://www.stapef.org/revised-methodology-for-calculating-greenhouse-gas-benefits-of-gef-energy-efficiency-projects-version-1-0/</p> <p>MY 8/30/2013 Cleared.</p>	
	<p>9. 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>10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?</p>	<p>MY 8/14/2013</p> <p>Not at this time.</p> <p>The role of public and private participation including government agencies, ESCOs and local commercial banks is identified.</p> <p>However, the PIF does not indicate if the project is relevant to CSOs, gender groups, and indigenous peoples. Please identify.</p> <p>MY 8/30/2013 Cleared.</p>	
	<p>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)</p>	<p>MY 8/14/2013</p> <p>Yes.</p> <p>Climate change has very little direct effect on the risk of this project.</p>	
	<p>12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>MY 8/14/2013</p> <p>Yes. We understand the ADB project mentioned on page 12 is pursuing innovative financial mechanisms for energy efficiency investments; thank you for coordinating with them on project design.</p>	
	<p>13. Comment on the project's innovative aspects, sustainability, and potential for scaling up.</p> <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this 	<p>MY 8/14/2013</p> <p>Not at this time.</p> <p>The PIF does not describe innovation, sustainability and scaling-up. Please add the information.</p> <p>MY 8/30/2013 Cleared.</p>	

	<p>based on GEF and Agency experience.</p> <ul style="list-style-type: none"> Assess the potential for scaling up the project's intervention. 	and scaling-up was added.	
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		
	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?		
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?	<p>MY 8/14/2013</p> <p>Table B, yes. However, there is a typo in Table A. The total amount of co-financing should be \$250,000,000 (not \$244,000,000). Please revise Table A.</p> <p>MY 8/30/2013 Cleared.</p>	
	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?	<p>MY 8/14/2013</p> <p>Yes.</p>	
	18. Is the funding level for project management cost appropriate?	<p>MY 8/14/2013</p> <p>Yes.</p>	
	19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification	<p>MY 8/14/2013</p> <p>No PPG is requested.</p>	

	with project design needs? <u>At CEO endorsement/ approval,</u> if PPG is completed, did Agency report on the activities using the PPG fund?		
	20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?	MY 8/14/2013 Not applicable.	
Project Monitoring and Evaluation	21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	23. Has the Agency adequately responded to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• The Council?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	MY 8/14/2013 Not at this time. Please address comments in Boxes: 5, 6, 7, 8, 10, 13, and 16. Please contact the GEF program manager for discussion if there is any question (myang@thegef.org, 202 473 5707). MY 8/30/2013 All technical issues were cleared.	
	25. Items to consider at CEO endorsement/approval.	MY 8/14/2013 ✓	

		MY 8/30/2013 More detailed results from quantitative analysis on GHG reduction using the GEF/STAP methodology are expected in the CEO endorsement stage.	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		
	First review*	August 14, 2013	
Review Date (s)	Additional review (as necessary)	August 30, 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.