



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

GEF ID:	5329		
Country/Region:	Malaysia		
Project Title:	Green Technology Application for the Development of Low Carbon Cities (GTALCC)		
GEF Agency:	UNDP	GEF Agency Project ID:	4283 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-4;		
Anticipated Financing PPG:	\$100,000	Project Grant:	\$4,354,794
Co-financing:	\$34,386,878	Total Project Cost:	\$38,841,672
PIF Approval:		Council Approval/Expected:	June 01, 2013
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Hiroaki Takiguchi	Agency Contact Person:	Rakshya Thapa

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 ?	HT, March 21, 2013: Yes.	
Resource Availability	2. Has the operational focal point endorsed the project?	HT, March 21, 2013: Yes.	
Resource Availability	3. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	HT, March 21, 2013: Yes.	
	• the focal area allocation?	HT, March 21, 2013: Yes.	
	• the LDCF under the principle of equitable access	N/A	
	• the SCCF (Adaptation or Technology Transfer)?	N/A	
	• the Nagoya Protocol Investment Fund	N/A	

Strategic Alignment	<p>4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives?</p> <p><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></p>	<p>HT, March 21, 2013: Yes, it is in line with CCM-4, in particular energy-efficient, low-carbon urban systems.</p>	
	<p>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?</p>	<p>HT, March 21, 2013: Yes.</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>HT, March 21, 2013: Not clear. Please address the following comments: a) Please explain with what criteria the four baseline projects have been selected and how they are related to each other. b) Please clarify whether and how the four baseline projects could be changed to maximize GHG benefits after the GEF intervention. c) Which entity is responsible for each baseline project? Are they included in executing partners? Please explain. d) The development of EV infrastructure is up to 2014. Low emission capacity building program ends in 2015. That means these projects will end before or at the beginning of the GEF project, leading to ineligibility as the baseline projects. Please explain the rationale.</p> <p>HT, April 11, 2013: a) b) c) Explanation has been provided.</p>	

		<p>d) Explanation has been provided. Comment cleared. Please develop a detailed schedule to implement the project in harmonization with the baseline projects by 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>HT, March 21, 2013: Not clear. Please address the following comments:</p> <p>a) Please make the proposal more focused. What urban systems are targeted in the proposal?</p> <p>b) How many cities are targeted in the proposal? Please describe it in the Indicative Project Framework and the text. If the proposal envisages particular cities, please name them.</p> <p>c) Does the PIF propose to support the national government for low-carbon urban development? Or does it include working with municipalities? Please explain.</p> <p>d) Linkages among project components are not clear. For example, how are EVs and BRT (Component 3) related to design and planning of urban systems (Component 1)? Please explain.</p> <p>Component 1:</p> <p>e) What kind of legislations and regulations (output 1.1.1) are envisaged? Regulations on land-use? Legislation on urban design? Is the executing partner (Ministry of Energy, Green Technology & Water) responsible for drafting them? Please be more specific.</p> <p>f) Will the design and planning of urban systems (output 1.1.2) be reflected investments in component 3? Please explain.</p> <p>g) The PIF says the project will promote,</p>	

integrated approach to urban development planning (2nd paragraph, page 8). However, the PIF lacks information on how to achieve that. Please explain and revise the text, if necessary.

Component 2:

h) How will the institutional framework (output 2.1.1) be related to the one-stop center (output 1.1.5)? Please clarify.

Component 3:

i) Establishment of financing mechanisms (output 3.2.1) and development of framework (output 3.2.5) are not investment. Please revise.

j) It seems that integration of sub-components is ambiguous. For example, it is unclear how EV operationalization is related to BRT. Please redesign the component so that it brings global environmental benefits in an integrated manner.

k) Please provide examples of investments in urban infrastructure (output 3.2.2).

HT, April 11, 2013:

a) Explanation has been provided. Comment cleared. Please include detailed analysis of integrated urban systems that maximize GHG emission reductions at a city level by the CEO Endorsement stage. Regarding energy supply, please note that GEF-5 focuses on end-use energy efficiency measures and co-generation. Supply-side measures related to electric power generation, transmission, and distribution are not supported.

		<p>b) c) d) Explanation has been provided and necessary descriptions have been added in the PIF. Comment cleared.</p> <p>e) f) g) h) Explanation has been provided. Comment cleared.</p> <p>i) The PIF has been revised. Comment cleared.</p> <p>j) Explanation has been provided. Comment cleared.</p> <p>k) Examples have been provided. Comment 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>HT, March 21, 2013: Please address the following comments: a) Is the GHG emissions reduction (932,000 tCO₂e) brought by GEF funding? Please provide methodology and assumptions to estimate the GHG emissions reduction. b) Incremental cost reasoning will be checked after other comments are addressed.</p> <p>HT, April 11, 2013: a) Methodology and assumptions have been provided. Comment cleared. Please provide detailed estimation of GHG emission reductions, including the effects of integrated urban systems, at the CEO Endorsement stage. b) Yes, the incremental cost reasoning is sound and appropriate.</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>HT, March 21, 2013: The PIF lists a number of stakeholders. Please explain how to ensure coordination among the stakeholders and how to work with local governments.</p> <p>HT, April 11, 2013: Explanation has been provided. Comment 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>HT, March 21, 2013: Yes.</p>	
	<p>12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>HT, March 21, 2013: This will be checked after other comments are addressed.</p> <p>HT, April 11, 2013: Yes.</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 based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. 	<p>HT, March 21, 2013: The descriptions in the PIF (pages 10 and 11) need further detail. How many EVs will be increased after the GEF project? How many cities will replicate BRT? Please be more specific about replication after the GEF project.</p> <p>HT, April 11, 2013: Explanation has been provided. Comment cleared. To ensure replication of the project outcomes and outputs in other cities, please elaborate financial mechanisms to support the sustainable scaling up of low-carbon urban development (Output 3.1.7) by the CEO Endorsement stage.</p>	

	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>HT, March 21, 2013: Please address the following comments: a) In the Table B (Indicative Project Framework), the row of Sub-Total is missing. Please add it. b) Please explain which component is covered by which co-financing sources.</p> <p>HT, April 11, 2013: a) The Table has been revised. Comment cleared. b) Explanation has been provided. Comment 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>HT, March 21, 2013: Please provide information on the UNDP's budget for Malaysia and justify the level of co-financing (\$352,765).</p> <p>HT, April 11, 2013: Explanation has been provided. Comment cleared.</p>	
	18. Is the funding level for project management cost appropriate?	HT, March 21, 2013: Yes, GEF Project Management Cost (PMC) is less than 5% of the GEF grant before PMC.	
	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	<p>HT, March 21, 2013: PPG is requested. PPG will not be recommended until PIF is cleared.</p> <p>HT April 11 2013:</p>	

	<u>At CEO endorsement/ approval, if PPG is completed, did Agency report on the activities using the PPG fund?</u>		
	20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?	HT, March 21, 2013: There is no non-grant instrument.	
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?	HT, March 21, 2013: Not at this stage. Please address the above comments and make the proposal more focused. HT, April 11, 2013: All comments are cleared. The PIF has been technically cleared and may be included in an upcoming Work Program.	
	25. Items to consider at CEO endorsement/approval.	HT, April 11, 2013: Please address the following items by the CEO Endorsement stage: a) detailed schedule to implement the project in harmonization with the baseline projects; b) detailed analysis of integrated urban	

		activities (e.g., BRT, EV etc.) to maximize GHG emission reductions at a city level; c) detailed estimation of GHG emission reductions, including the effects of integrated urban systems; d) elaboration of financial mechanisms to support the sustainable scaling up of low-carbon urban development.	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		
	First review*	March 21, 2013	
Review Date (s)	Additional review (as necessary)	April 11, 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.**