

Component	Risk	Proposed Mitigation Measure	Risk Level

H. THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:

The project is considered to be cost effective intervention for GEF due to the CO₂ emission reduction potential from enhanced use of renewable energy for mini grid based electrification of Nigeria. Currently, most of the electricity generation in Nigeria is small scale diesel based individual generation. For a GEF contribution of US\$ 3.0 million, this project will directly result in at least 3 MW of additional installed capacity based on SHP and biomass technologies. More importantly, the project is expected to result in the scaling up of RE based mini-grids, thus making it a high impact GEF intervention with enormous potential for promoting renewable energy markets in the country as well as in the region. The pilot projects established by the project will increase the local capacity in such a way that the future interventions will be further cost effective.

I. THE COMPARATIVE ADVANTAGE OF UNIDO:


The project is a technical assistance/capacity development intervention that fits within the Climate Change focal area strategic programmes SP-3 and SP-4. The GEF Council paper "Comparative Advantages of the GEF Agencies" (GEF/C.31/5rev.1) recognizes a comparative advantage to UNIDO in both these strategic programmes. UNIDO is especially well placed to implement this project because of its experience and expertise in dealing with SHP and modern biomass energy based mini-grid projects linking with productive use activities.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINTS AND GEF AGENCY

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT ON BEHALF OF THE GOVERNMENT:

NAME	POSITION	MINISTRY	DATE: (Month, day, year)
Mr. Chidindu Eze OZO	GEF Operational Focal Point in Nigeria and Director	Federal Ministry of Environment, Housing and Urban Development Nigeria	January 07, 2009

B. GEF AGENCY CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.					
Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Mr. Dmitri Piskounov Managing Director UNIDO GEF Focal Point			Mr. Jossy Thomas Industrial Dev. Officer Energy & Climate Change Branch, PTC UNIDO	+43 - 1 - 26026-3727	j.thomas@unido.org