



# GEF SECRETARIAT REVIEW FOR PROGRAMMATIC FRAMEWORK DOCUMENT\*

GEF Program ID:	4929		
Country/Region:	Regional (Africa)		
Program Title:	AfDB-PPP Public-Private Partnership Program		
GEF Agency:	AfDB	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-3;		
Anticipated Financing PPG:	\$0	Project Grant:	\$20,000,000
Co-financing:	\$240,000,000	Total Project Cost:	\$260,000,000
PFD Approval:	April 10, 2012	Council Approval/Expected:	June 07, 2012
		Expected Program Start Dt:	
Program Manager:	David Elrie Rodgers	Agency Contact Person:	SÃ©bastien Delahaye

Review Criteria	Questions	Secretariat Comments on Program Framework Document
Eligibility	1. Is the participating country eligible?	DER, March 30, 2012. Yes. The proposed private sector investment will be in GEF eligible countries.
	2. Has the operational focal point endorsed the program?	DER, March 30, 2012. NA. This is a regional program under the GEF-5 private sector set-aside and no OFP endorsement is required.
Agency's Comparative Advantage	3. Are the Agencies' comparative advantages for this program clearly described and supported?	DER, March 30, 2012. Yes. The AfDB has a comparative advantage for application of non-grant instruments and a proven track record of working with private sector partners.
	4. If there is a non-grant instrument in the program, is the GEF Agency(ies) capable of managing it?	DER, March 30, 2012. Yes. The proposed PPP Program includes non-grant instruments. The AfDB has a proven track record of managing such instruments.
	5. Does the program fit into the Agencies' programs and staff capacity in the country(ies)?	DER, March 30, 2012. Yes. Supports to clean energy, infrastructure and private-sector development are core pillars of the AfDB strategy.
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):	
	<ul style="list-style-type: none"> <li>the STAR allocation?</li> </ul>	DER, March 30, 2012. The STAR allocation does not apply as this program will

	<ul style="list-style-type: none"> <li>the focal area allocation?</li> </ul>	NA
	<ul style="list-style-type: none"> <li>the LDCF under the principle of equitable access?</li> </ul>	NA
	<ul style="list-style-type: none"> <li>the SCCF (Adaptation or Technology Transfer)?</li> </ul>	NA
	<ul style="list-style-type: none"> <li>focal area set-aside?</li> </ul>	<p>DER, March 30, 2012. Yes. The requested amount is within the remaining balance of the GEF-5 private sector set-aside. Please note, in Table D, please use the notation "Private sector set-aside" rather than "Regional" in the column Country/Global. You may also delete the extra blank rows.</p> <p>DER, April 9, 2012. Comment cleared.</p>
Program Consistency	7. Is the program aligned with the focal /multifocal areas/ LDCF/SCCF results framework?	<p>DER, March 30, 2012. Yes. The program is CCM-3, renewable energy. Please note, on page 4 in the paragraph B.1.1 the reference to Objective 1 should be changed to Objective 3.</p> <p>DER, April 9, 2012. Comment cleared.</p>
	8. Are the relevant GEF 5 focal/multifocal areas/LDCF/SCCF objectives identified?	<p>DER, March 30, 2012. Not quite.</p> <p>a) Table A uses non-standard language to describe the focal area outcomes and outputs. Please use the exact language taken from GEF document: GEF5-Template Reference Guide 9-14-10rev11-18-2010_0.</p> <p>For CCM-3, the recommended outcomes and outputs which should show in Table A are:  Outcome 3.2: Investment in renewable energy technologies increased  Output 3.2: Renewable energy capacity installed  Output 3.3: Electricity and heat produced from renewable sources</p> <p>b) For the program component, please use a more descriptive term, such as "Renewable Energy Investment" or "Renewable Energy Public Private Partnership Development".</p> <p>Please update Table A and Table Before the re-submission.</p> <p>DER, April 9, 2012. Comments cleared.</p>
	9. Is the program consistent with the recipient country(ies)' national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	DER, March 30, 2012. Yes. The investments in renewable energy capacity are consistent with national strategies and plans in the expected portfolio of countries where the investments will take place.

	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of program outcomes?	DER, March 30, 2012. Yes. The use of GEF private sector funding blended at concessional terms with AfDB and other donor funding is expected to attract private sector investors to renewable energy projects in Africa.
Program Design	11. Is the description of the baseline scenario/baseline project – what would happen without GEF financing – reliable, and based on sound data and assumptions?	DER, March 30, 2012. Yes. The project describes significant interest in renewable energy capacity expansion, yet barriers remain in attracting sufficient private sector investment.
	12. Are the activities to be undertaken by the program partners (or for which they will provide funding) sufficient given the nature of the program and is it likely that these activities (or funding) <b>will not</b> materialize if the GEF does not fund this program?	DER, March 30, 2012. Yes. The AfDB use GEF funding blended with AfDB funding to attract private sector investors with substantial co-financing, yielding 10:1 or more co-financing for every unit of GEF funding requested. The example list of partners identified in Section L shows a proven track record of working with investment partners.
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	DER, March 30, 2012. Yes. The use of GEF private sector funding blended at concessional terms with AfDB and other donor funding is expected to attract private sector investors to renewable energy projects in Africa.
	14. Is the program framework sound and sufficiently clear?	<p>DER, March 30, 2012. The description is very helpful. Please address the following comments:</p> <p>a) The PFD follows Option 2 of the Operational Modalities for Public-Private Partnership Programs developed for the GEF-5 private sector set-aside. Therefore, we understand AfDB will submit each proposed investment to the GEFSEC for concurrence using standard AfDB documentation. Understanding the strong coordination between AfDB and GEFSEC throughout investment planning is encouraged; please clarify approximately where during the process described in Section J the GEFSEC concurrence would be requested.</p> <p>DER, April 9, 2012. GEFSEC approval will be requested 50% through the appraisal process. Comment cleared.</p>

		<p>of negotiations, specific data on prospective investments, including names of partners, cannot be shared publicly until AfDB has cleared the information for public release. Please provide a sample of the non-disclosure form that will be used for GEFSEC technical staff.</p> <p>DER, April 9, 2012. Comment cleared.</p> <p>c) The explanation in section H carefully describes the catalytic role that GEF resources can play when offered at concessional terms. The explanation also describes that investments will follow the principle of minimum concessionality to avoid crowding out. Please clarify the maximum expected concessionality for some the most risky or innovative projects; that is, would AfDB consider offering GEF resources at 0% interest rate if that was justified by the needs of the investment?</p> <p>DER, April 9, 2012. 0% interest (100% concessionality) will only be envisaged for the most risky and innovative projects. Comment cleared.</p> <p>d) The description of the loan instruments is quite helpful. The description of how GEF funds would be used for equity investments is insufficient. Please briefly describe what types of investments may be eligible for equity, and the types of terms or tenors that would be considered.</p> <p>DER, April 9, 2012. Only loans will be considered. Comment cleared.</p> <p>e) Please briefly describe if the financial facility alone will address the barriers to renewable energy or if it is the financial facility along with the complementary programs identified. This could be addressed in section F on page 8.</p> <p>DER, April 9, 2012. Comment cleared.</p>
	<p>15. Is there a clear description of:</p> <p>a) the socio-economic benefits, including gender dimensions, to be delivered by the program, and</p> <p>b) how they will support the achievement of incremental/ additional benefits?</p>	<p>DER, March 30, 2012.</p> <p>a) The PFD establishes a target of 65MW renewable energy capacity established. Please present an estimate for the associated GHG benefits for this capacity development.</p> <p>b) In Section G.b), please indicate if the benefits you are describing for households will benefit women in particular due to their role in energy collection.</p> <p>DER, April 9, 2012. Comments cleared.</p>

	16. Is public participation taken into consideration, and the roles of the various stakeholders identified and addressed properly?	DER, March 30, 2012. Yes.
	17. Does the program take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	DER, March 30, 2012. Yes.
	18. Is the program consistent and properly coordinated with other related initiatives in the country or in the region?	DER, March 30, 2012. Yes. Section L identifies a proven track record of working with partners in the region.
	19. Is the project implementation/ execution arrangement adequate?	DER, March 30, 2012. Yes.
Program Financing	20. Is funding level for program management cost appropriate?	DER, March 30, 2012. Yes. The program management cost request is zero.
	21. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	DER, March 30, 2012. Yes. The type of co-financing is appropriate for the type of loans to be used in the renewable energy investments.  Please note, based on the program design, the type of co-financing listed in Table C of the PFD can be marked as "Loan" or "Investment"  DER, April 9, 2012. All co-financig will be in the form of investments, but "investment" is not an option in the menu for the PFD template. Comment cleared.
	22. Comment on the indicated co-financing.	DER, March 30, 2012. Yes. The estimated co-financing for each of the investments in the pipeline presents appropriate and adequate levels. However, please comment on whether the SEFA baseline funding is counted as co-financing. We are aware that this funding may be included in other GEF proposed projects. It can only be counted as co-financing in one GEF project.  DER, April 9, 2012. SEFA is a baseline and will provide technical assistance to RE projects, but is not counted as co-financing. Comment cleared.
	23. Are the co-financing amounts that the Agencies are bringing to the	DER, March 30, 2012. Yes. The AfDB will bring significant co-financing, estimated at \$70 million or more depending on the types of investments

Program Monitoring and Evaluation	24. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?	DER, April 9, 2012. Tracking tools will be developed for the overall program as investments are identified and funded. GEFSEC will work with the agency to ensure appropriate tracking.
	25. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?	DER, March 30, 2012. The description on page 9 and Annex does not specify how the M&E efforts will be funded. Please clarify how the AfDB private sector window will provide resources for M&E.  DER, April 9, 2012. The M&E budget of \$200,000 will be resourced from the GEF funding contribution. Comment cleared.
Agency Responses	26. Has the Agency responded adequately to comments from:	
	• STAP?	DER, March 30, 2012. NA
	• Convention Secretariat?	DER, March 30, 2012. NA
	• Council comments?	DER, March 30, 2012. NA
	• Other GEF Agencies?	DER, March 30, 2012. NA
<b>Secretariat Recommendation</b>		
PFD Clearance	<b>27. Is PFD clearance being recommended?</b>	DER, March 30, 2012. Please address the comments and clarifications included in boxes: 6, 8, 14, 15, 21, 22, and 25.  DER, April 9, 2012. Yes. All comments have been addressed.
	28. Items to consider at subsequent individual project submissions for CEO endorsement.	DER, March 30, 2012. As a PFD submitted for the PPP Program under the GEF-5 private sector set-aside, the documentation included in the PFD will be sufficient for consideration of CEO endorsement if the PFD is approved by Council for inclusion in the Work Program.  DER, April 9, 2012. Investment decisions will be cleared with the GEFSEC 50% through the appraisal process. GEFSEC will coordinate with the agency on appropriate tracking tools.
Review Date (s)	First review*	March 30, 2012
	Additional review (as necessary)	April 09, 2012
	Additional review (as necessary)	
	Additional review (as necessary)	
	Additional review (as necessary)	

**\* This is the first time the Program Manager provides full comments for the program. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments.**

## REQUEST FOR PROGRAM COORDINATION BUDGET/PROJECT PREPARATION GRANT FOR PROGRAM APPROVAL

Program Coordination Budget/Project Preparation Grant for Program	1. Are the proposed activities for program coordination appropriate?	DER, April 9, 2012. No PPG.
	2. Is itemized budget justified?	
Secretariat Recommendation	<b>3. Is PCB/PPG for Program approval being recommended?</b>	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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