

Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility
(Version 5)

STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: May 09, 2013

Screener: Lev Neretin

Panel member validation by: Ralph E. Sims
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I. PIF Information *(Copied from the PIF)*

FULL SIZE PROJECT GEF TRUST FUND

GEF PROJECT ID: 5388

PROJECT DURATION : 10

COUNTRIES : Regional

PROJECT TITLE: PPP-IDB Sustainable Caribbean Basin Private Equity Fund (PROGRAM)

GEF AGENCIES: IADB

OTHER EXECUTING PARTNERS:

GEF FOCAL AREA: Climate Change

II. STAP Advisory Response *(see table below for explanation)*

Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies): **Consent**

III. Further guidance from STAP

STAP acknowledges the program having a goal to catalyze private sector investment into energy efficiency, renewable energy and other sustainable business models in the wider Caribbean Basin via the development of an equity fund. The proposal is rather short on important scientific and technical considerations. STAP was informed by the GEF Secretariat that additional details as well as quantification of expected GEBs are provided at the CEO endorsement stage for projects of this type (PPP programs). Due to the lack of scientific and technical information in the program concept, STAP cannot provide its advice at this stage. While "consent" category is used above, STAP is not in the position to provide any advice category for this project.

When developing program concept further, project proponents could look at the following issues:

1. The baseline, barriers, and the problems that the GEF program will address should be clearly described. The baseline in the current form is not robust enough to support the incremental reasoning for the program. It should present a feasible basis from which to track and measure global environmental change; and the indicators should be explicitly identified so the project can be monitored and progress verified. The role of the GEF is not clear nor whether it needs to be a necessary contributor to the fund at all. STAP assumes but this have to be explained that the GEF will give credibility to the fund and so encourage other organization to join.
2. Incremental activities that lead to the delivery of global environmental benefits are unclear. In the current proposal, it appears that "adding needed resources" serves as such activity.
3. The rationale for a program as opposed to a project is lacking. The renewable energy projects envisaged under the umbrella of the US\$15 million program should be outlined.
4. Members of the management team and advisory board are not yet named, which is a risk. What skills and experience will they have in managing an equity fund of this nature? It is assumed that the GEF would be represented on the board, but not stated as such.
5. Risks of project failures are not included as "technical risks".
6. What will determine whether the GEF investment has been successful and to what level- other than perhaps a return on investment? There are no indicators given or MRV process identified.
7. The description of other related initiatives and coordination with this program are lacking.

<i>STAP advisory response</i>	<i>Brief explanation of advisory response and action proposed</i>
1. Consent	STAP acknowledges that on scientific or technical grounds the concept has merit. However, STAP may state its views on the concept emphasizing any issues where the project could be improved. Follow up: The GEF Agency is invited to approach STAP for advice during the development of the

	project prior to submission of the final document for CEO endorsement.
2. Minor revision required.	<p>STAP has identified specific scientific or technical challenges, omissions or opportunities that should be addressed by the project proponents during project development.</p> <p>Follow up: One or more options are open to STAP and the GEF Agency:</p> <p>(i) GEF Agency should discuss the issues with STAP to clarify them and possible solutions.</p> <p>(ii) In its request for CEO endorsement, the GEF Agency will report on actions taken in response to STAP's recommended actions.</p>
3. Major revision required	<p>STAP has identified significant scientific or technical challenges or omissions in the PIF and recommends significant improvements to project design.</p> <p>Follow-up:</p> <p>(i) The Agency should request that the project undergo a STAP review prior to CEO endorsement, at a point in time when the particular scientific or technical issue is sufficiently developed to be reviewed, or as agreed between the Agency and STAP.</p> <p>(ii) In its request for CEO endorsement, the Agency will report on actions taken in response to STAP concerns.</p>