

GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS¹

Country/Region: Romania
 Project Title: Romania: Financing Public Building Efficiency
 GEFSEC Project ID: **4009**
 GEF Agency Project ID: GEF Agency: EBRD
 GEF Focal Area (s): Climate Change
 GEF-4 Strategic Program (s): CC-1;
 Anticipated Project Financing (\$): PPG:\$0 GEF Project Allocation:\$4,570,000 Co-financing:\$81,250,000 Total Project Cost:\$85,820,000
 PIF Approval Date: Anticipated Work Program Inclusion: November 01, 2009
 Program Manager: Alexis Jean-Roch Mariani GEF Agency Contact Person: Peter Hobson

Review Criteria	Questions	Secretariat Comment at PIF/Work Program Inclusion ²	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes, Romania ratified the UNFCCC on June 8th 1994	
	2. If there is a non-grant instrument in the project, check if project document includes a calendar of reflows and provide comments, if any.		
	3. Has the operational focal point endorsed the project?	Yes, but the amount endorsed (\$4,770,000) is lower than the expected financing (project + PPG + fee = \$5,247,000). 9-1-9- A new endorsement letter was provided.	
	4. Which GEF Strategic Objective/ Program does the project fit into?	cc-1	
	5. Does the Agency have a comparative advantage for the project?	Yes (investment)	
Resource Availability	6. Is the proposed GEF Grant (including the Agency fee) within the resources available for (if appropriate):		

¹ Some questions here are to be answered only at PIF or CEO endorsement. Please do not answer if the field is blocked with gray.

² Work Program Inclusion (WPI) applies to FSPs only. Submission of PIF of FSPs will simultaneously be considered for WPI. For MSPs, once the PIF is approved by CEO, next step will be to continue project preparation until the project is ready for CEO approval.

	• The RAF allocation?	Yes. On sept 1st 2009, Romania	
	• The focal areas?	Yes. On Sept 1st 2009, Romania has used \$1,400,000 out of its \$15,500,000 allocation.	
	• Strategic objectives?	na	
	• Strategic program?	na	
Project Design	7. Will the project deliver tangible global environmental benefits?	Yes. The project is expected to result in a reduction of 450,000 tCO ₂ / year, which translates into a 6.7 MtCO ₂ over 15 years. This figure is consistent with the number of municipalities targeted.	
	8. Is the global environmental benefit measurable?		
	9. Is the project design sound, its framework consistent & sufficiently clear (in particular for the outputs)?	<p>Yes, but some clarifications are expected ;</p> <p>1. Who is the executing partner ? Could you please explain what the \$1,450,000 in-kind cofinancing from EBRD are related to ?</p> <p>2. What is the ownership of the country ? Could you explain why there is no local cofinancing ?</p> <p>3. Could you elaborate on the financial mechanism that will be put in place through the project ? Who will be responsible for the project identification, energy audits... ? Will the money be lent directly by the EBRD or through local banks ? Could you elaborate on the "local capacity" that will be established ?</p> <p>4. How many municipalities do you expect to participate to the project ?</p> <p>5. Could you explain your rough assumptions for the calculation of the CO₂ emissions reductions ?</p> <p>9-1-2009 - Explanations were provided on the points above, and the new PIF reflects these</p>	

		comments. The project targets the initial participation of 10 municipalities, rising to at least 20 once the program is established. It aims at developing awareness among the municipalities, identifying the municipal facilities in which to invest in priority, and staffing the municipalities to organize the tenders and the monitoring of the investments. Moreover, finance will be provided (loan of \$80M) to ESCO to support these investments.	
	10.Is the project consistent with the recipient country's national priorities and policies?	Yes	
	11.Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Yes.	
	12.Is the proposed project likely to be cost-effective?	Yes, according to the rough calculation of CO2 emissions reductions.	
	13.Has the cost-effectiveness sufficiently been demonstrated in project design?		
	14.Is the project structure sufficiently close to what was presented at PIF?		
	15.Does the project take into account potential major risks, including the consequences of climate change and includes sufficient risk mitigation measures?	Yes	
Justification for GEF Grant	16.Is the value-added of GEF involvement in the project clearly demonstrated through incremental reasoning?	Yes	
	17.Is the type of financing provided by GEF, as well as its level of concessionality, appropriate?		
	18.How would the proposed project outcomes and global environmental benefits be affected if GEF does not invest?		

	19.Is the GEF funding level of project management budget appropriate?	Yes	
	20.Is the GEF funding level of other cost items (consultants, travel, etc.) appropriate?		
	21.Is the indicative co-financing adequate for the project?	Yes Please address the issue of the local co-financing. What is the real involvement of the local partners ? 9-1-2009 -cleared	
	22.Are the confirmed co-financing amounts adequate for each project component?		
	23.Has the Tracking Tool ³ been included with information for all relevant indicators?		
	24.Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Secretariat's Response to various comments from:	STAP		
	Convention Secretariat		
	Agencies' response to GEFSEC comments		
	Agencies' response to Council comments		
Secretariat Decisions			
Recommendations at PIF	25. Is PIF clearance being recommended?	No. Could you please address the points above ? 9-1-2009 - cleared	
	26.Items worth noting at CEO Endorsement.		
Recommendation at CEO Endorsement	27. Is CEO Endorsement being recommended?		

³ At present, Tracking Tools apply to Biodiversity projects only. Tracking Tools for other focal areas are currently being developed.

Review Date	1 st review		
	2 nd review		

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	Yes
	2. Is itemized budget justified?	Yes. Task 1 focuses on the public procurement process and will determine contracting methodology (definition of the financial mechanism that will be applied) Task 2 focus on the market demand assessment (review of the engineering sector, of the banking sector, assessment of the market size...) Task 3 deals with the project strategy : consultation with stakeholders, including municipalities involved in the project ; development of project tendering methodologies including tender documentation and evaluation.
	3. Is the consultant cost reasonable?	ok
Recommendation	4. Is PPG being recommended?	Yes
Other comments		
Review Date	1 st review	
	2 nd review	