



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

GEF ID:	4745		
Country/Region:	Sudan		
Project Title:	Promoting Utility-Scale Power Generation from Wind Energy		
GEF Agency:	UNDP	GEF Agency Project ID:	4726 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CCM-3; CCM-3; CCM-3; Project Mana;		
Anticipated Financing PPG:	\$100,000	Project Grant:	\$3,536,364
Co-financing:	\$213,700,000	Total Project Cost:	\$217,336,364
PIF Approval:		Council Approval/Expected:	April 01, 2013
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Hiroaki Takiguchi	Agency Contact Person:	Robert Kelly

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	HT/DZ, DEC 15, 2011: Yes.	
	2. Has the operational focal point endorsed the project?	HT/DZ, DEC 15, 2011: Attached letter was signed by the former focal point. Please submit a letter signed by the current focal point. HT/DZ, DEC 30, 2011: The letter signed by the current focal point has been submitted. Comment cleared.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	HT/DZ, DEC 15, 2011: UNDP has a comparative advantage regarding the TA components of the project. However, it is not clear what will be its involvement in the investment	

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only . Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 11-22-2010

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		component. Please explain it. HT/DZ, DEC 30, 2011: The role of UNDP in the investment component has been provided. Comment cleared.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	HT/DZ, DEC 15, 2011: n/a	
	5. Does the project fit into the Agency's program and staff capacity in the country?	HT/DZ, DEC 15, 2011: Yes, in general.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	HT/DZ, DEC 15, 2011: Yes. Sudan has a CC STAR allocation of US\$ 8,880,000.	
	• the focal area allocation?	HT/DZ, DEC 15, 2011: Yes.	
	• the LDCF under the principle of equitable access	n/a	
	• the SCCF (Adaptation or Technology Transfer)?	n/a	
	• Nagoya Protocol Investment Fund	n/a	
	• focal area set-aside?	n/a	
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	HT/DZ, DEC 15, 2011: Yes.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	HT/DZ, DEC 15, 2011: Yes.	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and	HT/DZ, DEC 15, 2011: Yes.	

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	assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?		
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	HT/DZ, DEC 15, 2011: Yes.	
Project Design	11. 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>HT/DZ, DEC 15, 2011: Not clear. Please add the following elements for Component #2,# 3 and #4 in Section B.1 in the PIF: a) the scenario without the GEF financing b) the set of baseline activities that should have been fully-funded and implemented by the government or other financing sources</p> <p>HT/DZ, DEC 30, 2011: The revised PIF points out that the feasibility studies for the two wind farms have overlooked some critical issues relevant to the local context. However, most of the issues pointed out are not normally the subject of wind farm feasibility studies. Environmental issues are usually addressed at the stage of Environment Impact Assessment, while technical issues, such as the turbine coating specifications and grid connection specifications, are the subject of the analytical engineering studies. Are these studies already developed by the government or been outsourced to local engineering firms without relevant technical knowledge? If these studies are already developed,</p>	

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		<p>have they been evaluated as inadequate by technical experts? Please clarify and provide factual information.</p> <p>HT/DZ, JAN 30, 2012: Rectifying the shortcomings of the environmental impact assessment is an issue that has to do with the applied national regulatory standards and is not related with mitigation benefits. Also, adding an anti-dust coating specification in the wind turbine specification sheet is a very easy enhancement that the project developer can do at minimal cost with obvious benefits for the equipment's life. The GEF financing cannot be used for correcting such engineering flaws. Regarding Component #1, therefore, it is advisable to focus on the current Output 1.4 and redesign the proposal.</p> <p>HT, April 10, 2012: Part of the project component (Component 1) has been redesigned with the explanation that removing the barriers has incremental cost reasoning. Comment cleared. If the PIF is cleared, however, the project should be elaborated at the CEO Endorsement stage so that removing the barriers in the Dongola wind farm will lead to market development of utility-scale wind farms, including the Red Sea ones.</p>	
	<p>12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to</p>		

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	alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	<p>HT/DZ, DEC 15, 2011: No. Please address the following comments. a) Regarding the Component #1, the activities are not clearly linked with the objective of the project. The installation of the two wind farms is not essential for achieving the GEF objective of developing the wind market in Sudan, since both installations are public, fully developed and financed, and do not face any of the barriers presented and analyzed in Table 2. Please consider the redesign of this component in order to support specific private sector investments through Public-Private Partnership or Independent Power Producers modalities. These investments could be the two Red Sea plants mentioned in Table 1.</p> <p>HT/DZ, DEC 30, 2011: The replication and sustainability strategic plan for the two additional wind farms in the Red Sea region has been moved from Component #3 to Component #1. However, the two additional plants are already mentioned in Table 1; the Red Sea 1 has a feasibility study ongoing and the other feasibility study is to be carried out. This sounds like an approved replication</p>	

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		<p>plan. Also, a year ago, a company from UAE (OMENE Energy) signed a 500 MW wind farm MOU with the NEC (National Electricity Corporation) Sudan for installations along the Coast of the Red Sea. Taking into consideration these development, please clarify what this output concerns, and specify concrete project activities and outputs regarding the development new wind farms.</p> <p>HT/DZ, JAN 30, 2012: The current status of the two additional wind farms has been explained. As in the comment in box 11, please focus on the current Output 1.4 and redesign the proposal.</p> <p>HT, April 10, 2012: Part of the project component has been redesigned with the explanation that removing the barriers has incremental cost reasoning. Comment cleared.</p> <p>HT/DZ, DEC 15, 2011: b) Regarding the Component #2, 3 and 4, it is difficult to judge the incremental reasoning of the proposed activities, because the baseline project has not been described in an appropriate form. After addressing box 11, please revise the incremental and additional cost reasoning in B.2 in the PIF.</p> <p>HT/DZ, DEC 30, 2011: Please address the comment in box 11.</p>	

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		<p>HT/DZ, JAN 30, 2012: Please address the comment in box 11.</p> <p>HT, April 10, 2012: The comment in box 11 has been addressed. Comment cleared.</p>	
	<p>14. Is the project framework sound and sufficiently clear?</p>	<p>HT/DZ, DEC 15, 2011: No. Please address the following comments.</p> <p>Component #1: a) Please address the comment in box 13.</p> <p>Component #4: b) Please consider linking the output 4.2 with the proposed design for the Component #1.</p> <p>HT/DZ, DEC 30, 2011: Please address the comment in box 13.</p> <p>HT/DZ, JAN 30, 2012: Please address the comment in box 11.</p> <p>HT, April 10, 2012: The comment in box 11 has been addressed. Comment cleared.</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>HT/DZ, DEC 15, 2011: Given the proposed redesign for the Component #1, please provide a new estimate for the project's direct benefits.</p> <p>HT/DZ, DEC 30, 2011: After addressing the comment in box 13, please reconsider the methodology</p>	

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		<p>and assumptions.</p> <p>HT/DZ, JAN 30, 2012: This will be reviewed after the redesign of the proposal.</p> <p>HT, April 10, 2012: Yes, the methodology and assumptions to estimate GHG emission reduction have been provided. Comment cleared. If the PIF is cleared, the methodology and assumptions should be elaborated at the CEO Endorsement stage.</p>	
	<p>16. 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>HT/DZ, DEC 15, 2011: Yes.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>HT/DZ, DEC 15, 2011: No. Please describe involvement, if any, of the private sector, civil society organization, local and indigenous communities, and their roles.</p> <p>HT/DZ, DEC 30, 2011: The role of civil society has been explained. Comment cleared.</p>	
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>HT/DZ, DEC 15, 2011: No. Environmental risks (ex. protection of migratory birds, noise including low frequency noise) and measures to mitigate them should be added.</p> <p>HT/DZ, DEC 30, 2011: The environmental risks and the</p>	

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		measures to mitigate them have been added. Comment cleared.	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	HT/DZ, DEC 15, 2011: Yes.	
	20. Is the project implementation/ execution arrangement adequate?	HT/DZ, DEC 15, 2011: Please describe how to coordinate the key stakeholders in the project. In addition, please explain the way the Higher Council for Environment and Natural Resources is involved in the project. HT/DZ, DEC 30, 2011: The coordination of key stakeholders has been explained. Comment cleared.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	HT/DZ, DEC 15, 2011: The threshold for Project Management Cost (PMC) for GEF financing is 5% for projects with \$2 million and above GEF financing before PMC. The percentage of the proposal is 5.3% (= 177,364/3,359,000). Please decrease the PMC to 5% or less, or provide justifications.	

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		HT/DZ, DEC 30, 2011: PMGEF funding is under the threshold. Comment cleared.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	HT/DZ, DEC 15, 2011: This will be examined after receiving responses to the comments for other items. HT/DZ, DEC 30, 2011: Please address the comments in box 11 and 13. HT/DZ, JAN 30, 2012: Please address the comments in box 11 and 13.	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	HT/DZ, DEC 15, 2011: Financing for activities that are not essential for achieving GEF objectives are not counted as co-financing. Please address the comments in box 11 and 13. HT/DZ, DEC 30, 2011: Please address the comments in box 11 and 13. HT/DZ, JAN 30, 2012: Please address the comments in box 11 and 13. HT, April 10, 2012: From the Project Framework (Table B), co-financing for Component 1.1 (Dongola wind farm) should be less than \$205,595,000. However, the Table 1 (page 8) shows the co-financing for the Dongola wind farm is \$213 million. Please revise this inconsistency.	

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		HT, April 12, 2012: Table 1 has been amended. Comment cleared.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	HT/DZ, DEC 15, 2011: 250,000 USD is provided as co-financing by UNDP which seems to be low considering the size of the requested GEF grant. Please provide information regarding the actual resources available for UNDP for the implementation of the UNDP CRAP for Sudan. Is the amount provided for this project the only funding available by the UNDP CPAP for renewable energy activities in the country? HT/DZ, DEC 30, 2011: Co-financing by the UNDP has been explained. Comment cleared.	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at	30. Is PIF clearance/approval being recommended?	HT/DZ, DEC 15, 2011: Not at this stage. Please address the	

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PIF Stage		<p>comments. Please consider the redesign of the component in order to achieve the objective of the project, which is the development of wind power market in Sudan. Also, please submit the endorsement letter signed by the current Operational Focal Point.</p> <p>HT/DZ, DEC 30, 2011: Please address the comments in box 11 and 13. Please discuss the comments directly with the GEF Secretariat in order to expedite the review process.</p> <p>HT/DZ, JAN 30, 2012: The proposal at its current form is rejected. As in the comment in box 11, please consider redesigning the proposal.</p> <p>HT, April 10, 2012: The part of the proposal has been redesigned. Please address the comment in box 25. Furthermore, PPG approval is not recommended because the proposed project preparation activities can be covered as part of the baseline project. Therefore, please revise the texts regarding PPG in the PIF.</p> <p>HT, April 12, 2012: All the comments are cleared. PIF clearance is being recommended.</p>	
	31. Items to consider at CEO endorsement/approval.	<p>HT, April 12, 2012: a) Please note that, given the project design, this project will be recommended for CEO endorsement on</p>	

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		the condition that there is the materialisation of the cofinance; b) Please provide a clear strategy to enhance market development of utility-scale wind farms through removing the barriers in the Dongola wind farm; c) Please provide methodology and assumptions to estimate GHG emission reductions.	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	December 15, 2011	
	Additional review (as necessary)	December 30, 2011	
	Additional review (as necessary)	January 30, 2012	
	Additional review (as necessary)	April 10, 2012	
	Additional review (as necessary)	April 12, 2012	

* **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.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	HT/DZ, DEC 15, 2011: PPG will not be recommended before PIF recommendation. HT, April 10, 2012:

		The proposed project preparation activities can be covered as part of the baseline project. PPG approval is not recommended.
	4. Other comments	
Review Date (s)	First review*	April 10, 2012
	Additional review (as necessary)	

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