GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS
THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	**9281**		
Country/Region:	**Tanzania**		
Project Title:	**Promotion of Bio-Ethanol as Alternative Clean Fuel for Cooking in the United Republic of Tanzania**		
GEF Agency:	**UNIDO**	GEF Agency Project ID:	
Type of Trust Fund:	**GEF Trust Fund**	GEF Focal Area (s):	**Climate Change**
GEF-6 Focal Area/ LDCF/SCCF Objective (s):		**CCM-1 Program 1;**	
Anticipated Financing PPG:	**$100,000**	Project Grant:	**$2,457,078**
Co-financing:	**$23,040,000**	Total Project Cost:	**$25,597,078**
PIF Approval:	**September 14, 2015**	Council Approval/Expected:	**October 21, 2015**
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	**Ming Yang**	Agency Contact Person:	**Jossy Thomas,**

PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework?[1]	MY 8/10/2015 Yes. The project is aligned with Program 1 of Objective 1: To promote low carbon technologies and mitigation options.	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	MY 8/10/2015 Not completed yet. It is partially stated on pages 21 and 22. Please justify if this project is	The project is consistent with the National Portfolio Formulation Exercise of Tanzania (August 2011). The project will contribute to achieving the goals of all the three focal

[1] For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

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		consistent with the National Portfolio Formulation Exercise of Tanzania. MY 8/19/2015 Yes. Comments were addressed and the PIF was revised.	areas namely, Climate change, biodiversity conservation and sustainable land management. One of the national priorities under Climate change focal area is to promote low-carbon technologies. Another national priority under sustainable land management focal area is to generate alternative income generating activities for the farmers. The proposed project will use underutilized agro feedstock such as molasses (from the existing sugar industries), cashew apple, sisal waste and other seasonal fruit/agro wastes for bio-ethanol generation. This will boost up the agriculture sector, as they will get additional revenues from their by-products/wastes. The above statement is included in sub-section National Portfolio Formulation Exercise under Section 6 on page no. 21 of the revised PIF document.
Project Design	3. Does the PIF sufficiently indicate the drivers[2] of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	MY 8/10/2015 Not completed at this time. 1. The data was dated in 2011. Please consider using updated data, say in 2014 or 2013 in the PIF to justify the	The recent primary energy consumption data of Tanzania available in open source is the year 2012 (http://www.iea.org/stats/WebGraphs/TANZANIA4.pdf). The data

[2] Need not apply to LDCF/SCCF projects.

PIF Review			
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		project. 2. The PIF addressed the Global Environmental Problems and Barriers on pages 5 and 6, but it does not address the Root Causes or drivers of the Problems. Please address them. 3. Please write one paragraph for each of the following topics: a). innovation; b). sustainability; c). market transformation; and d). scaling-up. MY 8/19/2015 Yes. Comments were addressed and the PIF was revised.	has been updated under sub-section Global Environmental problems, Root Causes and Barrier on page no. 4 of the revised PIF document. The prevailing poverty level and over-dependence on biomass based fuels are the root causes of the identified environmental problems. Lack of access to modern energy services creates a vicious cycle of poverty for rural communities due to continued limited production opportunities and social facilities. Deforestation due to biomass consumption, on the other hand, poses a severe threat to biodiversity. Lack of alternative energy technology and absence of any project demonstrations on alternate fuels only lead to the acceleration of environmental degradation. The above statement is included in paragraph 6 of subsection Global Environmental Problems, Root Causes and Barriers on page no. 5 of the revised PIF document. The following topics: innovation, sustainability, and scaling-up have been indicated in separate paragraphs on pages 15 and 16 of the revised PIF document. The proposed project envisages a

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			significant market transformation from biomass-based cooking to bio-ethanol based cooking. The project will also focus on rural markets through the installation of micro-distilleries for bio-ethanol production. This will also lead to associated positive impacts on agriculture markets as well through added value to its by-products and wastes. Energy efficient and quality bio-ethanol cook stoves will be introduced to Tanzania markets for the first time through this project. The above statement is included in paragraph 2 (market transformation) on page no. 16 of the revised PIF document.
	4. Is the project designed with sound incremental reasoning?	MY 8/10/2015 Yes. It is stated on page 16. The project seeks to retail around 28,000 bio-ethanol cook stoves in urban, peri-urban and rural areas. Annual charcoal usage of around 16.4 million kg can be avoided resulting in the reduction of 58,234 tCO2 each year, or 582,340 tCO2 in 10 year of lifetime directly. However, detailed calculation for the emission reduction numbers is needed in the CEO ER stage.	
	5. Are the components in Table B sound	MY 8/10/2015	The PMC has been reduced from 700,000

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	and sufficiently clear and appropriate to achieve project objectives and the GEBs?	Yes. It is clear, but it seems that the Project Management Cost (PMC) $817,004 is over-budgeted. If it is, please reduce it accordingly. MY 8/19/2015 Yes. Comments were addressed and the PIF was revised.	USD to 400,000 USD. The total PMC is now 517,004 USD (117,004 + 400,000). Please refer to Table B under Part I on pages 1 and 2 of the revised PIF document.
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	MY 8/10/2015 Not completed. Please indicate how this project will benefit indigenous peoples, if the project is relevant to them. MY 8/19/2015 Yes. Comments were addressed and the PIF was revised.	The proposed project will boost up selected agriculture sector, as farmers will get additional revenues from their by-products/wastes. Indigenous people who depend on relevant agriculture sector will benefit from the additional revenues through the project. This will also create local employment in rural communities and restrict their migrations. They may also benefit from improved lifestyle by the use of ethanol cook stoves. The benefits for the indigenous people depend on the relevant sector to which they are associated. However, there will not be any negative impacts on the indigenous peoples as the project does not involve any land conversions, crop replacement, etc. The above statement is included in paragraph 6 of section 2. Stakeholders on page no. 17 of the revised

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			PIF document.
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• The STAR allocation?	MY 8/10/2015 Yes. As of 8/10/2015, this country has a remainder of $19,091,728 in STAR.	
	• The focal area allocation?	MY 8/10/2015 Yes. As of 8/10/2015, this country has a remainder of $5,325,943 in the CCM focal area.	
	• The LDCF under the principle of equitable access	MY 8/10/2015 N/A	
	• The SCCF (Adaptation or Technology Transfer)?	MY 8/10/2015 N/A	
	• Focal area set-aside?	MY 8/10/2015 N/A	
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	MY 8/10/2015 Not at this time. Please address comments in Boxes: 2, 3 and 6. Please fill Table D on page 3. MY 8/19/2015 Yes. Comments were addressed and the PIF was revised. The Program Manager recommends CEO PIF clearance.	
Review Date	Review	August 10, 2015	

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
	Additional Review (as necessary)	August 19, 2015	
	Additional Review (as necessary)		

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?	5/17/2017 MY Not at this time. Considerable changes have taken place to the project from the PIF stage to the CEO ER stage, and there is not enough justification for the changes. Please justify these changes listed in the Table on page 5 (with more focuses on item numbers 2 and 5). The project, after revision from the PIF, focuses on distribution of cook stoves, rather than on production of bio-ethanol as the PIF focused. Please tell readers how to promote bio-ethanol as an alternative clean fuel without addressing production of bio-ethanol. Where does the bio-	

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		ethanol come from to feed the cook-stoves? Does the title of the project match the components and outputs of the project at the CEO ER stage? Please justify it. 9/12/2017 MY: Yes, comments were addressed and the project has been revised.	
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?	5/17/2017 MY Not at this time. The project design has some problem. Please see comments in box 1. 9/12/2017 MY: Yes, comments were addressed and the issues were cleared.	
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?	5/17/2017 MY Not at this time. The project design has some problem. Please see comments in box 1. 9/12/2017 MY: Yes, comments were addressed and the issues were cleared. The project is cost-effective.	
	4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)	5/17/2017 MY Not at this time. The project design has some problem. Please see comments in box 1. 9/12/2017 MY: Yes, comments were addressed and the issues were cleared.	

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		The risk issues were addressed on pages 33-36.	
	5. Is co-financing confirmed and evidence provided?	5/17/2017 MY Not at this time. The co-financing of Euros 25 million from the European Union is not materialized for this project. 9/12/2017 MY: Yes, comments were addressed and the issues were cleared. Co-financing from the government and the private sector is fine.	
	6. Are relevant tracking tools completed?	5/17/2017 MY Yes. But the TT needs to be changed when the Agency finishes addressing comments in Box 1. 9/12/2017 MY: Yes, the TT is completed.	
	7. *Only for Non-Grant Instrument:* Has a reflow calendar been presented?	5/17/2017 MY Not applicable.	
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?	5/17/2017 MY Comments will be provided after the agency finishes addressing the comments in Box 1. 9/12/2017 MY: Yes, it is stated on page 32.	
	9. Does the project include a	5/17/2017 MY	

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	budgeted M&E Plan that monitors and measures results with indicators and targets?	Comments will be provided after the agency finishes addressing the comments in Box 1. 9/12/2017 MY: Yes, on pages 42-44.	
	10. Does the project have descriptions of a knowledge management plan?	5/17/2017 MY Comments will be provided after the agency finishes addressing the comments in Box 1. 9/12/2017 MY: Yes, on page 41.	
Agency Responses	11. Has the Agency adequately responded to comments at the PIF[3] stage from:		
	• GEFSEC	5/17/2017 MY Not at this time. Please address comments in Boxes 1 and 5. 9/12/2017 MY: Yes. Comments were cleared.	
	• STAP	5/17/2017 MY Not at this time. The STAP praised the project at the PIF stage because the objective of the project was to promote bio-ethanol as an alternative clean cooking fuel for Tanzania. Almost all STAP	

[3] If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.

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		comments were about the production of bio-ethanol fuels, not on cook-stoves. Now the project becomes promoting clean cooking stoves. The changed project design may need STAP's review again. 9/12/2017 MY: Yes. Comments were cleared.	
	• GEF Council	5/17/2017 MY Not at this time. The first comment from the US was about ethanol production. Please indicate which component of the project will deal with bio-ethanol production from cashew applies, sisal and coffee pulps, and molasses. Please consider investing in a demonstration plant to show the production of bio-ethanol using the wastes that were mentioned by the US Council Member. Please address comments of the GEF Council one by one. Some comments are not addressed yet. 9/12/2017 MY: Yes. Comments were cleared on pages 56-66.	
	• Convention Secretariat	5/17/2017 MY Not applicable.	
	12. Is CEO endorsement	5/17/2017 MY	

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Recommendation	recommended?	Not at this time. Please address the comments in Boxes 1 and 5. Please address the comments of STAP and the Council one by one. 9/12/2017 MY: Yes. All comments were cleared and the project has been technically cleared. The PM recommends the CEO to endorse this project.	
Review Date	Review	May 17, 2017	
	Additional Review (as necessary)	September 12, 2017	
	Additional Review (as necessary)		