



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

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| GEF ID:                                    | <b>5340</b>                                     |                              |                       |
| Country/Region:                            | <b>Tunisia</b>                                  |                              |                       |
| Project Title:                             | <b>NAMA Support for the Tunisian Solar Plan</b> |                              |                       |
| GEF Agency:                                | <b>UNDP</b>                                     | GEF Agency Project ID:       | <b>5182 (UNDP)</b>    |
| Type of Trust Fund:                        | <b>GEF Trust Fund</b>                           | GEF Focal Area (s):          | <b>Climate Change</b> |
| GEF-5 Focal Area/ LDCF/SCCF Objective (s): | <b>CCM-3;</b>                                   |                              |                       |
| Anticipated Financing PPG:                 | <b>\$100,000</b>                                | Project Grant:               | <b>\$3,552,968</b>    |
| Co-financing:                              | <b>\$63,886,025</b>                             | Total Project Cost:          | <b>\$67,538,993</b>   |
| PIF Approval:                              |   | Council Approval/Expected:   | <b>June 01, 2013</b>  |
| CEO Endorsement/Approval                   |   | Expected Project Start Date: |                       |
| Program Manager:                           | <b>Karan Chouksey</b>                           | Agency Contact Person:       | <b>Robert Kelly</b>   |

| Review Criteria              | Questions   | Secretariat Comment at PIF (PFD)/Work Program Inclusion  | Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP) |
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| <b>Eligibility</b>           | 1. Is the participating <b>country eligible</b> ?   | April 04, 2013. Yes.   |  |
|                              | 2. Has the <b>operational focal point</b> endorsed the project?   | April 04, 2013. Yes. OFP Sabria Bnoui Ben Ammar, Director of International Cooperation and Partnership, Ministry of Environment endorsed the project on March, 05, 2013. |  |
| <b>Resource Availability</b> | 3. Is the proposed Grant (including the Agency fee) within the <b>resources available</b> from (mark all that apply): |  |  |
|                              | <ul style="list-style-type: none"> <li>the STAR allocation?</li> </ul>  | April 04, 2013. Yes. Tunisia has \$3,900,000 left in its climate change STAR allocation. Additionally, the proposed project seek \$350,000 from GEF carbon set-aside.    |  |

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|                     |   | \$3,900,000 left in its climate change STAR allocation. The project utilizes \$3,552,968 of its STAR allocation.  |  |
|                     | • the focal area allocation?  | April 04, 2013. Yes. Tunisia has \$3,900,000 left in its climate change STAR FA allocation.   |  |
|                     | • the LDCF under the principle of equitable access  | N/A   |  |
|                     | • the SCCF (Adaptation or Technology Transfer)?   | N/A   |  |
|                     | • the Nagoya Protocol Investment Fund   | N/A   |  |
|                     | • focal area set-aside?   | April 04, 2013. Yes. The proposed project utilizes additional amount of \$350,000 from GEF carbon-set aside.<br><br>April 11, 2013. No. The project has been revised to utilize STAR FA allocation only.  |  |
| Strategic Alignment | 4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF <b>results framework and strategic objectives</b> ?<br><i>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 progress toward achieving the Aichi target(s).</i> | April 04, 2013. Yes. The proposed project is a nationally appropriate mitigation actions support for the Tunisian national solar plan and has pilot component CCM-3. The expected FA outputs listed in project framework (Table B) addresses the key FA objectives identified for the project. However, we seek further clarification on utilization of GEF carbon set-aside (component 2) (please see comments in box 7).<br><br>April 11, 2013. The request for carbon set-aside has been removed. Comment cleared. |  |
|                     | 5. Is the project consistent with the recipient <b>country's national strategies and plans</b> or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NDCAP, NADP   | April 04, 2013. Yes.  |  |

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| Project Design | 6. Is (are) the <b>baseline project(s)</b> , including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions? | April 04, 2013. Yes. Tunisian Solar Plan with RE technologies will contribute to achieve the national target of emission reductions of 53 MtCO <sub>2</sub> by 2030 i.e. 30% contribution to the Tunisian electricity mix. The mitigation RE technologies considered are wind, photovoltaic (PV) and concentrated solar power (CSP). The demonstration baselines projects will include one 10MW PV and 24MW Wind farm.   |  |
|                | 7. Are the components, outcomes and outputs in the <b>project framework</b> (Table B) clear, sound and appropriately detailed?  | <p>April 04, 2013. Yes.</p> <p>Component 1 addresses policy de-risking instruments but it does not consider incorporating sectoral/sub-sectoral GHG inventories and MRV system. SDM only takes into account emission reduction potential of the TSP. Also it does not provide any information on rationale and coordination with the other national reports such as National Communication and BURs. Those are core elements that need to be addressed while articulating NAMA strategies at the country level. This is to maintain the difference and rationale of conducting additional NAMA related analyses. Please clarify.</p> <p>Please also consider reallocating GEF resources to establish some kind of support mechanisms to assure robust monitoring and coordination with the DNA and national registry by strengthening institutional capacities to follow MRV guidelines and utilize MRV systems.</p> <p>Component 2 utilizes GEF resources--</p> |  |

of national climate change fund supporting NAMAs with suitable financial mechanism (including performance-based system). Please consider using the STAR allocation, rather than the set-aside. Please clarify if this is a non-grant instrument. If yes, please refer to the GEF Council document (GEF/C.33/12) titled "Operational Policies and Guidance for the Use of Non-grant Instruments" that states requirements for UN agencies to fund such financial instruments. Please also explain how the national climate change fund will sustain financing in long-term (post-completion of GEF project). Please also see comments in box 16.

Please provide evidence of government's commitment towards establishment of national climate change fund with details on identified financing instruments by the CEO endorsement stage.

Component 3. Please ensure that the estimated GHG emission reductions are attributable to investment projects (identified within priority NAMAs). Detailed description on demonstration projects are expected at the CEO endorsement stage.

There should be an emphasis on timeliness of planning process and regulatory implementation. The Agency is requested to discuss the general timeline for NAMA planning and implementation with the GEF Secretariat.

April 11, 2013.

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|  |  | <p>elements of capacity building, national NAMA standards, MRV systems and GHG accounting methodologies and coordination between DNA and NAMA developers. Comment cleared.</p> <p>Component 2. The request for carbon set-aside has been removed. In terms of national climate change fund (including performance-based payment system, GEF resources will not be used to capitalize the fund. GEF fund will only be used to design and institutionalize a sustainable financing mechanism. The financial mechanisms to ensure replication should be described in detail at the CEO Endorsement stage. Comments cleared.</p> <p>Component 3. Explanation has been provided. Comment cleared.</p> |  |
|  | <p>8. (a) Are global environmental/adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?</p> | <p>April 04, 2013. Presently, the PIF includes a rough top-down estimation of total 1.82 MT and 4.2 MT of direct and indirect emission reductions respectively. However, there are little details on data validation. Please provide the detailed estimation of GHG emissions, using appropriate baselines and other relevant data from national reports such as National Communications etc., by the PPG phase.</p> <p>April 11, 2013. Comment cleared. Please provide GHG emissions reduction in detail with sound methodologies and assumptions with fully-referenced data sources at the CEO endorsement stage.</p>  |  |
|  | <p>9. Is there a clear description of:<br/>a) the <b>socio-economic benefits</b>, including gender dimensions, to be delivered by the project, and</p>       |  |  |

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|  | benefits support the achievement of incremental/ additional benefits?   |   |  |
|  | 10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?   | April 04, 2013. Yes.  |  |
|  | 11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g., measures to enhance climate resilience) | April 04, 2013. Yes.  |  |
|  | 12. Is the <b>project consistent and properly coordinated</b> with other related initiatives in the country or in the region?   | <p>April 04, 2013. Yes. Please ensure that all references and data are consistent with the latest National Communications of Tunisia to UNFCCC. As UNDP has reported that the second National Communication draft was ready in March 2012, please revise the PIF to describe the consistency with this document.</p> <p>Please also submit the detailed illustration on how NAMA efforts in Tunisia will be coordinated with other relevant initiatives.</p> <p>April 11, 2013. Explanation has been provided. Comments cleared. Please provide detailed project implementation and coordination arrangements at the CEO endorsement.</p> |  |
|  | 13. Comment on the project's <b>innovative aspects, sustainability, and potential for scaling up.</b> <ul style="list-style-type: none"> <li>Assess whether the project is</li> </ul>                         | April 04, 2013. This project will support Tunisia in enabling NAMA environment in the country while supporting successful implementation of Tunisian Solar Plan. Additionally, with the rapidly   |  |

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|                   | <p>and if not, why not.</p> <ul style="list-style-type: none"> <li>Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience.</li> <li>Assess the potential for scaling up the project's intervention.</li> </ul> | country this project with contribute towards setting up low-carbon development pathway by creating regulatory frameworks, and market for private sector investments.         |  |
|                   | 14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?   |  |  |
|                   | 15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?   |  |  |
| Project Financing | 16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?  | <p>April 04, 2013. To be decided. Please describe co-financing sources addressing respective components.</p> <p>April 11, 2013. Yes. Details submitted. Comment cleared.</p> |  |
|                   | 17. <u>At PIF</u> : Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role?<br><u>At CEO endorsement</u> : Has co-financing been confirmed?                        | <p>April 04, 2013. Yes, the UNDP amount is appropriate. Please also see comments in box 7.</p> <p>April 11, 2013. The explanation has been provided. Comment cleared.</p>    |  |
|                   | 18. Is the funding level for <b>project management cost</b> appropriate?  | April 04, 2013. Yes, It is 5% of the GEF project grant.  |  |
|                   | 19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification  | April 04, 2013. Not yet. The output of the PPG activities should be readily available for the upcoming national reports and identified priority sectors/sub-sectors          |  |

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|                                      | with project design needs?<br><u>At CEO endorsement/ approval,</u><br>if PPG is completed, did Agency<br>report on the activities using the<br>PPG fund? | April 11, 2013. Yes. The explanation has<br>been provided. Comment cleared. The<br>output of the PPG activities should be<br>readily available for the upcoming<br>national reports and identified priority<br>sectoral/sub-sectoral NAMAs based on<br>scenario analyses and baseline references.  |  |
|                                      | 20. If there is a <b>non-grant<br/>instrument</b> in the project, is<br>there a reasonable calendar of<br>reflows included?                              | N/A  |  |
| Project Monitoring<br>and Evaluation | 21. Have the appropriate <b>Tracking<br/>Tools</b> been included with<br>information for all relevant<br>indicators, as applicable?                      |  |  |
|                                      | 22. Does the proposal include a<br><b>budgeted M&amp;E Plan</b> that<br>monitors and measures results<br>with indicators and targets?                    |  |  |
| Agency Responses                     | 23. Has the Agency adequately<br>responded to comments from:   |  |  |
|                                      | • STAP?  |  |  |
|                                      | • Convention Secretariat?  |  |  |
|                                      | • The Council?   |  |  |
|                                      | • Other GEF Agencies?  |  |  |
| Secretariat Recommendation           |  |  |  |
| Recommendation at<br>PIF Stage       | 24. <b>Is PIF clearance/approval<br/>being recommended?</b>  | <p>April 04, 2013. Please address the above<br/>mentioned comments in boxes 4, 7, 8, 12,<br/>13, 16, 17. Please consult with the GEF<br/>Secretariat for additional guidance to help<br/>with project design for NAMA-related<br/>projects.</p> <p>April 11, 2013. The explanation has been<br/>provided. Comments addressed and<br/>cleared. The revised PIF has been<br/>technically cleared and may be included<br/>in an upcoming Work Program, subject to</p> |  |

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|   | 25. Items to consider at CEO endorsement/approval. | <p>April 11, 2013.</p> <p>Please address the following items by the CEO Endorsement stage:</p> <p>a) detailed design of financing mechanism under the national climate change fund to ensure sustainability and replicability after the GEF project;</p> <p>b) specific activities under priority NAMAs and a series of milestones for associated activities developed during the PPG stage;</p> <p>c) standardized MRV systems for various types of identified NAMAs;</p> <p>d) sound and robust methodologies and assumptions for GHG emissions estimation, especially for NAMA demonstration projects to avoid duplication, and;</p> <p>e) references to and coordination with the latest national reports and other initiatives in Tunisia to substantiate results and assuring future replications.</p> |  |
| Recommendation at CEO Endorsement/ Approval | 26. Is CEO endorsement/approval being recommended? |  |  |
|   | First review*                                      | April 04, 2013   |  |
| Review Date (s)                             | Additional review (as necessary)                   | April 11, 2013   |  |
|   | Additional review (as necessary)                   |  |  |
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\* 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.