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

GEF ID:	**5150**		
Country/Region:	**Chile**		
Project Title:	**Delivering the Transition to Energy Efficient Lighting**		
GEF Agency:	**UNEP**	GEF Agency Project ID:	
Type of Trust Fund:	**GEF Trust Fund**	GEF Focal Area (s):	**Multi Focal Area**
GEF-5 Focal Area/ LDCF/SCCF Objective (s):		**CCM-1; CCM-1; CCM-2; CHEM-3;**	
Anticipated Financing PPG:	**$22,830**	Project Grant:	**$2,485,713**
Co-financing:	**$9,419,843**	Total Project Cost:	**$11,928,386**
PIF Approval:	**March 07, 2013**	Council Approval/Expected:	**April 12, 2013**
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	**David Elrie Rodgers**	Agency Contact Person:	**Raul Alfaro-Pelico**

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?	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes.
	2. Has the operational focal point endorsed the project?	DER, September 28, 2012. Yes. Ximena George-Nascimento endorsed the project on September 12, 2012, in the amount of $2,696,900 including $25,000 PPG, $2,429,000 project and $242,900 fee.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes.
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	DER, September 28, 2012. No non-grant instrument.	DER, January 6, 2015. NA
	5. Does the project fit into the Agency's program and staff capacity in the	DER, September 28, 2012. Yes. The approach for providing integrated	DER, January 6, 2015. Yes.

*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.

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	country?	technical assistance from the Global Centers is innovative and should provide efficiency in the delivery of global quality policy guidance. At CEO endorsement we expect a precise description of how the global technical assistance support will be integrated with local technical support and monitored carefully for transparency and accountability.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes.
	• the focal area allocation?	DER, September 28, 2012. Yes. There is sufficient CC focal area allocation remaining including the pending projects from other agencies.	DER, January 6, 2015. Yes.
	• the LDCF under the principle of equitable access	DER, September 28, 2012. NA	NA
	• the SCCF (Adaptation or Technology Transfer)?	DER, September 28, 2012. NA	NA
	• Nagoya Protocol Investment Fund	DER, September 28, 2012. NA	NA
	• focal area set-aside?	DER, September 28, 2012. NA	NA
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	DER, September 28, 2012. This project is identified as CCM-1, Technology Transfer. However, many of the project components are more properly classified under CCM-2, Energy Efficiency. We recommend that both focal area objectives be identified for the project. Furthermore, it is possible to also reference the focal area objectives for chemicals, specifically mercury (CHEM3). It may be a useful to consider how a small demonstration of	DER, January 6, 2015. Table A is filled out correctly for CCM-1. However, for CCM-2 and CHEM-3, the Focal Area Outcomes and Outputs do not match the required language found in GEF5-Template Reference Guide 9-14-10rev11-18-2010_0.doc. Please clarify and update the Table and resubmit. MGV, May 29, 2015. Table A has been revised. Comment cleared.

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		the handling and management of used mercury containing blubs can be done in this project that is consistent with the mercury strategy in GEF 5. DER, February 8, 2013. The project design has been changed to reflect CCM-2 and CHEM3. A strategic planning element under CHEM3 is very innovative for this type of project. Comment cleared.	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	DER, September 28, 2012. Yes, however, only for CCM-1. We recommend that CCM-2 objectives be identified and added to Table A. Consider classifying project components as follows: Strengthening MVE capacities: CCM-2 Environmentally sound management: CCM1 or CHEM3 Lighting innovation: CCM-1 DER, February 8, 2013. The focal area objectives have been modified. However, the approved language for FA outcomes and outputs does not match the GEF template. The third CCM-1 row is not correct and cannot be used. This row should be folded into the second CCM-1 row. The CHEM3 row should reflect the appropriate outcomes/outputs from the GEF Template Reference guide 9-14-2010. Please clarify. DER, February 12, 2013. Comment cleared.	DER, January 6, 2015. Yes. The project aligns with the following GEF-5 focal areas: CCM-1, Technology Transfer; CCM-2, Energy Efficiency; and CHEM-3, Pilot sound chemicals management and mercury reduction.

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	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes, including the National Energy strategy, the National Efficient Lighting Strategy, and Chile's National Communications. Chile signed the Minamata Convention on October 10, 2013.
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	DER, September 28, 2012. Yes. The project will help enforce compliance with minimum energy performance standards that will help phase out inefficient lighting and will establish testing and capacity to enforce the standards sustainably.	DER, January 6, 2015. Yes. The integrated approach will build long term sustainability for government promotion of energy efficient lighting.
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?	DER, September 28, 2012. Yes. The country wishes to implement policies and regulations to phase out inefficient lighting, but will be unable to proceed efficiently without assistance from the GEF project.	DER, January 6, 2015. Yes. The use of energy efficient lighting can reduce dependence on fossil fuels and reduce greenhouse gas emissions compared to the baseline.
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		DER, January 6, 2015. Yes. Adopting the best practices guidelines and integrated approached developed under the GEF/UNEP en.lighten initiative, this project can deliver cost-effectively.
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/ additional reasoning?	DER, September 28, 2012. Yes. The activities are consistent with the en.lighten guidelines, developed with international support, that will provide improved effectiveness, reduce barriers to introduction of efficient lighting, and improve compliance and enforcement while providing global environmental benefits.	DER, January 6, 2015. Regarding the calculation for GHG emissions benefit we examined the spreadsheet provided. There does not appear to be an estimate for the potential market expansion of efficient lighting in a business as usual scenario. Please clarify. It would be helpful to apply the GEF/STAP spreadsheet tool for energy efficiency products which includes an easy to use template for establishing the business as usual scenario and the incremental improvement through GEF funding.

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			The tool is available at: http://www.stapgef.org/revised-methodology-for-calculating-greenhouse-gas-benefits-of-gef-energy-efficiency-projects-version-1-0/. After completion, please confirm alignment with the tracking tools. MGV, May 29, 2015. Baseline GHG scenario and emission benefits have been recalculated using the STAP tool. The Tracking Tool and CEO Endorsement document have also been updated. However, the Lifetime Energy Saved in the Tracking Tool is different from what was calculated using the STAP tool and included in the CEO Endorsement. Please revise Tracking Tool accordingly.
	14. Is the project framework sound and sufficiently clear?	DER, September 28, 2012. The description is sound and the project components are designed in a coordinated manner. Please address the following comments. Component 1. No comments. Component 2. a) Please consider the application of CHEM3 focal area objectives related to the handling of mercury and how that can be clearly articulated within component 2 and documented at project completion for dissemination. We would expect no more than $50,000 of funding requested from the CHEM3 focal area set-aside for this sub-component.	DER, January 6, 2015. The project consists of the following components: 1. Strengthening monitoring, verification and enforcement (MVE) capacities to ensure an effective transition to efficient lighting markets 2. Ensuring an environmentally sound management and sustainable transition to efficient lighting 3. Lighting innovation: accelerating the use of solid state lighting (including LEDs) and controls Please address the following comments: a) Component 2. The GEF funding

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		Component 3 b) please split this component into TA and INV activities, with an estimated budget for each delineated in Table B. With this significant GEF investment, we would expect a large-scale demonstration program under component 3.1.4 that should be identified at CEO endorsement. c) In addition to demonstrating LED systems, it would be valuable to demonstrate the business model for LED lighting systems that takes advantage of low maintenance, durability, and controls. Please consider during project design if project activities could create sustainable funding models for LED system replacement, such as ESCO funding for outdoor lighting replacement funded by the energy savings. DER, February 8, 2013. a) Component added. comment cleared. b) Table B has been modified to show how the GEF grant is allocated between the TA and INV components. However, it is not clear how the co-financing will be allocated. Please update that during project design. c) Comment cleared.	allocated towards training for collection and disposal of spent lamps along with communication appears quite high, relative to the co-financing and relative to the other project components. At PIF stage, the co-financing for this component was five times higher. Given the extensive existing efforts in Chile, please justify this large GEF contribution and consider re-aligning the GEF amount to match the co-financing ratio from the PIF stage. b) Component 2. Please clarify if environmentally sound management of lighting will be implemented, as approved in the PIF, or if this project only includes policy development and awareness raising type activities. Will any recycling or disposal facilities participate in the project who will properly manage the waste lighting? c) Component 3. The document appears to focus LED and controls demonstration efforts for low-income residents. At the time of CEO endorsement the GEFSEC requested "Please consider during project design if project activities could create sustainable funding models for LED system replacement, such as ESCO funding for outdoor lighting replacement funded by the energy savings." Please clarify why low income residents were chosen for the demonstration programme and how the agency responded to GEFSEC request. We emphasize this point because in

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			most countries, LEDs are still too expensive for low-income residents, but are finding market niches in commercial buildings, outdoor lighting. It may not be cost-effective at this time to introduce LEDs in the government funded distribution program for efficient lighting. Please clarify. d) Component 3. Please clarify activity c.8 "procure and install CFLs" under output 3.2.2 which focuses on LEDs. MGV, May 29, 2015. a) Component 2 co-financing levels have been revised from \$50,000 to \$450,000 and from \$430,000 to \$2,130,000 to more closely match the co-financing ratio from the PIF stage, but the GEF amount has remained the same. Response to comment argues that significant GEF contribution is critical in this component to build capacity and raise awareness for a successful collection and recycling scheme. Comment cleared. b) From the CEO Endorsement document (section A.5.2) and from the response to comments, Component 2 will include awareness raising, policy development and the design of the business model for the collection and recycling service organization (CRSO) and an action plan to implement it. This will involve consultations with the private sector (lighting companies, distributors, importers, and recycling and disposal facilities). c) Low-income residents were chosen

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			for the demonstration program as they are the target of the government distribution campaigns of efficient lamps. The project will seek to increase the proportion of LEDs being distributed over CFLs. The suggestion of using an energy savings funding model through an ESCO was not considered as fitting the scope of the project, as neither commercial buildings nor street lighting are targeted by the Government's program. Comment cleared. d) GEF resources will only be used to procure LEDs, while co-financing from the Ministry will be used to procure LEDs and CFLs, building upon the Ministry's existing efficient lighting distribution program that distributes CFLs. Table B and section A.5.2 have been edited to reflect this more clearly. Comment cleared.
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	DER, September 28, 2012. Please address these comments. a) Reporting of the full potential benefits numbers cited in Section B.1 from the en.lighten estimate is helpful information, but this does not clearly link with the project activities. Please describe how the project activities will generate some of the potential benefits during and after the project, and provide rough quantity estimates. At the time of CEO endorsement, it will be necessary to use full phase-out estimate as the top-down indirect benefits that would occur many years	DER, January 6, 2015. Yes. The project is expected to have a direct emission reduction of 511 ktCO2e from the installation of lamps directly financed by the project using Government and GEF funding (cumulatively over the period 2015-2017). Additionally, the project has an indirect reduction impact of 1,283 tCO2 from the transition of the market towards more efficient lighting products (cumulatively over the period 2018-2027). Furthermore, the project will facilitate reduction in stock of mercury in lamps.

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		after the project is completed. We also request you create a direct estimate number for the demonstration component, and a direct and post-project direct estimate for phase out of inefficient lighting, using the new STAP designed methodology for energy efficiency which includes modules that apply for this type of project. DER, February 8, 2013. a) The revised estimates on page 10 of the PIF attempts to explain that a fraction of the 1.2 Mt CO2e annual emission reduction would be obtained through the project. However, the numbers for annual savings and the cumulative savings don't add up. At PIF stage, we just need a simple explanation of the potential of this project to capture a certain fraction of the potential savings - please clarify the fraction and the explanation. DER, February 12, 2013. Comment cleared.	MGV, May 29, 2015. The emissions reduction estimates have been revised to 22,775 tCO2 direct from the demonstration program, 15,567,842 tCO2 direct post-project from the implementation of standards and labels policies, and indirect emission reductions of 83,372 tCO2 (bottom-up) to 9,104,365 tCO2 (top-down).
	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?	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes.
	17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes.

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	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)	DER, September 28, 2012. Yes.	DER, January 6, 2015. Yes.
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	DER, September 28, 2012. Yes. However, there are numerous UNDP and UNEP lighting projects in Latin America that should be coordinated with. Please clarify. DER, February 8, 2013. Comment cleared.	DER, January 6, 2015. Yes.
	20. Is the project implementation/ execution arrangement adequate?	DER, September 28, 2012. Yes. As discussed in box 5, the approach for providing integrated technical assistance from the Global Centers is innovative and should provide efficiency in the delivery of global quality policy guidance. Please address the comment in box 5 at CEO endorsement.	DER, January 6, 2015. Yes.
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		DER, January 6, 2015. Yes.
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		NA
Project Financing	23. Is funding level for project management cost appropriate?	DER, September 28, 2012. No. The project management cost for this size of a project should be no more than 5% of the GEF sub-total as shown in Table B. Please reduce the GEF funding amount. DER, February 8, 2013. Comment cleared.	DER, January 6, 2015. Yes.

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	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	DER, September 28, 2012. We acknowledge that the co-financing participation by en.lighten private sector partners is impressive in amount and appears to be appropriately allocated to the components. But do not quite understand how the large amount of "in-kind" co-financing matches with the activities described. Please explain how you estimated the "in-kind" contributions for the country and how the contributions will be brought to bear in the country. (For example, will experts be traveling to the country and providing on-site support at their own expense as part of the in-kind contribution?) DER, February 8, 2013. An in-kind estimate was presented. The in-kind contributions will include full-time equivalent salaries and benefits, plus travel contributed by the private sector partners. Comment cleared.	DER, January 6, 2015. a) The GEF funding for component 2 seems too high relative to the co-financing. Please clarify why the co-financing is dramatically reduced from the approved PIF. b) The co-financing identified for component 3 seems too high given the described outputs and activities for component 3. Please clarify how the resources are being allocated. MGV, May 29, 2015. a) The co-financing for Component 2 has been increased to more closely match what was presented in PIF. See Box 14. Comment cleared. b) In response to GEF comments, co-financing for Component 3 was reduced from a total of $5,940,000 to $4,090,000. It is allocated to (i) the design and implementation of communication campaigns, (ii) the design, bidding and evaluation of the demonstration program, and (iii) the procurement and installation of efficient lighting products. This co-financing reflects the Ministry's large efficient lighting distribution program. Comment cleared.
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	DER, September 28, 2012. For an energy efficiency lighting project the overall co-financing ratio is not that high. For many lighting projects there is a substantial dissemination element, often funded in partnership with the local utilities. Please address whether additional co-financing might be	DER, January 6, 2015. Most co-financing has been confirmed. Please clarify where to find the documentation for the Fundacion Chile co-financing of $119,843 or supply. MGV, May 29, 2015. All co-financing has been confirmed and submitted.

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		available. DER, February 8, 2013. Agency will pursue additional partners during project design, but notes that the focus is on policy development.	Comment cleared.
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	DER, September 28, 2012. We consider the amount provided by UNEP to be quite small relative to the many other co-financing partners. Please address if this can be raised. DER, February 8, 2013. The agency will pursue other donors to help raise co-financing before CEO endorsement, but will keep it's contribution at $25,000. Comment cleared. DER, February 12, 2013. After further consultation, the agency raised its co-financing to $100,000. Comment cleared.	DER, January 6, 2015. Yes.
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		DER, January 6, 2015. No. Please supply the tracking tool and clarify the alignment with emissions benefits in the documents. MGV, May 29, 2015. The Tracking Tool has been submitted, however please check that the number for lifetime energy saved matches the one presented in the CEO Endorsement document and what was calculated using the STAP tool and resubmit.
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		DER, January 6, 2015. Yes.

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Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?	DER, September 28, 2012. NA	NA
	• Convention Secretariat?	DER, September 28, 2012. NA	NA
	• Council comments?		NA
	• Other GEF Agencies?	DER, September 28, 2012. NA	NA
Secretariat Recommendation			
Recommendation at PIF Stage	**30. Is PIF clearance/approval being recommended?**	DER, September 28, 2012. Not at this time. Please respond to the comments in boxes 7, 8, 14, 15, 19, 20, 23, 24, 25, 26. As a PPG is proposed, please consider designing the PPG in such a way as to be quick and low-cost, as significant foundations for the project have been established through en.lighten. DER, February 8, 2013. Not at this time. Please respond to comments in boxes 8, 15. DER, February 12, 2013. Yes. The project is technically cleared and may be considered in a future work program.	
	31. Items to consider at CEO endorsement/approval.	DER, September 28, 2012. 1) Please clarify by CEO endorsement if a facility for MVE will be created, as this may consume more of the resources. 2) Please provide precise description of how the global technical assistance support will be integrated with local technical support and monitored carefully for transparency and accountability, especially as the center may be supporting multiple countries simultaneously.	

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		3) Please consider the use of lighting quality labels, especially for LEDs, modeled after similar approaches in the U.S. and EU (e.g., LED Lighting Facts) 4) Please identify the large-scale LED demonstration program, and if possible, sustainable funding strategies. 5) Clear break down of co-financing for each investment and TA component.	
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?		DER, January 6, 2015. Yes.
	33. Is CEO endorsement/approval being recommended?		DER, January 6, 2015. Not at this time. Please respond to comments in boxes: 7, 13, 14, 24, 25, and 27. MGV, May 29, 2015. Not at this time. Please respond to comments in boxes 13 and 27.
Review Date (s)	First review*	September 26, 2012	January 06, 2015
	Additional review (as necessary)	February 08, 2013	May 29, 2015
	Additional review (as necessary)	February 12, 2013	
	Additional review (as necessary)		
	Additional review (as necessary)		

* **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?	DER, February 8, 2013. PPG is within the allowed amount and is technically cleared.
	2. Is itemized budget justified?	
Secretariat	**3. Is PPG approval being**	

Recommendation	**recommended?**	
	4. Other comments	
Review Date (s)	First review*	February 08, 2013
	Additional review (as necessary)	

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