



## PROJECT PREPARATION GRANT (PPG)

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

Submission date: 01/20/2012

GEF PROJECT ID: 4602

GEF AGENCY PROJECT ID:

COUNTRY(IES): Republic of Azerbaijan

PROJECT TITLE: Initiation Of HCFC Phase Out

GEF AGENCY(IES): UNIDO, (select), (select)

GEF FOCAL AREA(s): Ozone Depletion Substances

### A. PROJECT PREPARATION TIMEFRAME

Start date of PPG	03/30/2012
Completion date of PPG	12/30/2012

### B. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)

Describe the PPG activities and justifications: The PPG will finance the detailed scoping and design of the pilot project covered by the FSP document. Through detailed development of the pilot project concepts, plans, budgets and operating models the necessary inputs, outcomes and outputs required to achieve the project objectives will be optimized. It will also allow the development of the logical framework and indicators to effectively monitor the implementation process and it will ensure that the resources provided under the FSP achieve the greatest possible impact.

#### 1. Institutional Capacity and feasibility study

Preliminary assessment of the major barriers (policy, institutional, technology, financial, and market) for promoting HCFC low-GWP technology; Collection and analysis of all relevant technical, commercial, policy, institutional and legislation information and baseline data on the current status of HCFC products.

The survey carried out for the compilation of the PIF will be extended to the next level of detail and all participating enterprises and key stakeholders including importers, distributors and customs will be visited by local consultants under the direction of the Project manager and international consultant. After phase 1 of the data collection the international consultant will audit all significant HCFC consumers / suppliers to ensure consistency.

#### 2. ODS Phase Out

Finalization of the design of investment pilot/demonstration project, including assessment of their technical feasibility and economic viability as well as a cost-effectiveness and lifecycle analysis.

Detailed specification of appropriate technology transfer components in the foam and refrigeration and air-conditioning sectors.

In order to support preparation of detailed project design, UNIDO will provide in cash and kind funding to facilitate, coordinate and supplement with in-house data and expertise the activities and inputs of the project consultants.

As part of the GEF project, various government institutions and market parties are also expected to invest in projects to demonstrate the benefits and to take the first steps in disseminating best practices.

List of Proposed Project Preparation Activities	Output of the PPG Activities	Trust Fund	Grant Amount (a)	Co-financing (b)	Total c = a + b
Preparatory activities	Detail work plan of PPG activities developed	GEF TF	5,000	30,000	35,000
Collection and analysis of additional data incl.travel	Report related to baseline situation (Foam, Ref.and Air Cond. Sector) and barrier analyses for dissemination of results	GEF TF	10,000	50,000	60,000
Design of the pilot/demonstration project	Demonstration project formulated and draft FSP project document developed	GEF TF	25,000	35,000	60,000
		(select)			0
		(select)			0
		(select)			0
		(select)			0
		(select)			0
		(select)			0
		(select)			0
		(select)			0
		(select)			0
<b>Total Project Preparation Financing</b>			<b>40,000</b>	<b>115,000</b>	<b>155,000</b>

**C. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)**

	Project Preparation	Agency Fee
Grant Amount	40,000	4,000
Co-financing	115,000	
<b>Total</b>	<b>155,000</b>	<b>4,000</b>

**D. PPG AMOUNT REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)<sup>1</sup>**

Trust Fund	GEF Agency	Focal Area	Country Name/ Global	(in \$)		
				PPG (a)	Agency Fee (b)	Total c = a + b
GEF TF	UNIDO	Ozone Depletion Substa	Azerbaijan	40,000	4,000	44,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0

(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
<b>Total PPG Amount</b>			<b>40,000</b>	<b>4,000</b>	<b>44,000</b>	

<sup>1</sup> No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

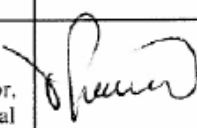
#### E. PPG BUDGET

Cost Items	Total Estimated Person Weeks for Grant (PW)	Grant Amount (\$)	Co-financing (\$)	Total(\$)
Local consultants *	51.00	22,800	18,000	40,800
International consultants*	16.00	9,600	20,000	29,600
Travel		3,600	39,000	42,600
Stakeholders meetings		4,000	27,000	31,000
Translation, printing			11,000	11,000
				0
<b>Total PPG Budget</b>		<b>40,000</b>	<b>115,000</b>	<b>155,000</b>

\* Annex A for Consultant cost details should be prepared first before completing this table. See notes on Annex A for the required detailed information. This table is the sum of all local and international consultants presented in Annex A.

#### F. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF LDCF/SCCF Trust Fund criteria for project identification and preparation.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Mr. Dmitri Piskounov, Managing Director, UNIDO GEF Focal Point			Mr. Yury Sorokin, Industrial Development Officer	+43 1 260 26 3624	Y.Sorokin@unido.org

**Annex A**

**Consultants Financed by the Project Preparation Grant (PPG)**

<b>Type of Consultant</b>	<b>Position / Titles</b>	<b>\$/ Person Week<sup>1</sup></b>	<b>Estimated PWs<sup>2</sup></b>	<b>Tasks to be Performed</b>
Local	National Project Leader	800	12.00	<ul style="list-style-type: none"> <li>- To coordinate technical project related activities between the all parties involved in the frame of the approved project;</li> <li>- To assess technical feasibility, economic viability, and sustainability of interventions and activities recommended by the project stakeholders including national Ministries;</li> <li>- To assist the international experts and project team and other related coordination and management activities.</li> <li>- 4 missions total 4 weeks, 8 weeks home based work</li> </ul>
Local	Refrigeration Manufacturing	800	10.00	<ul style="list-style-type: none"> <li>- To collect, summarize and present in the individual technical report all relevant information and conversion costs on the current manufacturing practice of domestic, commercial, transportation and industrial refrigeration and air conditioning;</li> <li>- To address HCFC the end users of different sub-sectors</li> <li>- To demonstrate the benefits and to take the first steps in disseminating best practices.</li> <li>- 6 missions total 6 weeks, 4 weeks home based work</li> </ul>
Local	Foam Expert	800	10.00	<ul style="list-style-type: none"> <li>- To collect, summarize and present in the individual technical report all relevant information and on the current conversion cost of XPS and PU foams, extruded PE foams, as well as other foams based products manufacturing based on HCFC technologies for insulation in construction and transportation refrigeration industries and packaging applications. Thus to contribute to selection of non ODS and HFC based technologies.</li> <li>- 6 missions total 6 weeks, 4 weeks home based work</li> </ul>
Local	Specialist In Environmental	800	10.00	<ul style="list-style-type: none"> <li>- To identify missing regulations and technical standards, which need to be</li> </ul>

	Regulations			<p>put in place;</p> <ul style="list-style-type: none"> <li>- To conduct needs assessment for prioritizing capacity building requirements of various parties involved, specifically in legislative framework and regulations, including needs assessment for capacity building.</li> <li>- Home Based in Baku with local meetings, allow for 2 weeks missions over 10 weeks.</li> </ul>
Local	Service Sector Expert	800	9.00	<ul style="list-style-type: none"> <li>- To collect, summarize and present in the individual technical report all relevant information on the current servicing practice of domestic, commercial, transportation and industrial refrigeration and air conditioning;</li> <li>- To address HCFC the end users of different sub-sectors</li> <li>- To demonstrate the benefits and to take the first steps in disseminating best practices.</li> <li>- 6 missions total 6 weeks, 3 weeks home based</li> </ul>
International	Consultant In Ods	1850	8.00	<ul style="list-style-type: none"> <li>- To conduct baseline analysis to assess the past and present conditions of ODS in Refrigeration Sector,</li> <li>- To conduct preliminary assessment of the major barriers (policy, institutional, technology, financial, and market) for promoting ODS and HFC free and EE products;</li> <li>- To review the National legislation on ODS and provide inputs based on international experience. Detailed project design.</li> <li>- 4 missions, total 4 weeks and 4 weeks home based</li> </ul>
International	Consultant On MP And climate impact assesment of HCFC alternatives	1850	8.00	<ul style="list-style-type: none"> <li>- To finalize design of investment pilot/demonstration projects, including assessment of their technical feasibility and economic viability as well as a cost-effectiveness analysis, based on the inputs collected during the PPG;</li> <li>- To assess technical feasibility, economic viability, and sustainability of interventions and activities recommended by the project stakeholders including national Ministries; Development of project framework will be based on the logframe approach, and a structure and mechanisms for project implementation takes into account</li> </ul>

				best international practices and lessons learned from the implementation of other GEF projects in ODS phase out. - To prepare a detailed project design. -4 missions total 4 weeks and 4 weeks home based.
(Select)				

<sup>1</sup> Provide dollar amount per person week.

<sup>2</sup> Provide person weeks needed to carry out the task

PPG

1.0