

# Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility



## STAP Scientific and Technical screening of the Project Identification Form (PIF)

Date of screening: 19<sup>th</sup> January 2010

Screener: Lev Neretin

Panel member validation by: N.H. Ravindranath

### I. PIF Information

**GEF PROJECT ID:** 4217

**COUNTRY(IES):** INDONESIA

**PROJECT TITLE:** CHILLER ENERGY EFFICIENCY PROJECT

**GEF AGENCY(IES):** World Bank

**OTHER EXECUTING PARTNER(S):**

**GEF FOCAL AREA (S):** Climate Change

**GEF-4 STRATEGIC PROGRAM(S):** CC-SP1 AND CC-SP2

**NAME OF PARENT PROGRAM/UMBRELLA PROJECT (IF APPLICABLE):**N/A

### II. STAP Advisory Response *(see table below for explanation)*

1. Based on this PIF screening, STAP's advisory response to the GEF Secretariat and GEF Agency(ies):  
**Minor revision required**

### III. Further guidance from STAP

1. The project aims at replacing older chillers by efficient chillers, which have the potential to reduce energy consumption by about 40%. This is a well known technology and a lot of experience exists in many countries. The project aims to provide financial incentives (concessional loans and bank guarantee) directly to chiller owners to shift to efficient system. The project also aims to demonstrate the rate of return on investment of chiller replacement and the financial viability of the investment. Project proponents have clearly identified the components of concessional loans, bank guarantee and technical assistance.
2. STAP concurs with the GEF Secretariat comments provided to project proponents including the following issues to be addressed at the CEO endorsement stage:
  - How the issue of collection of the replaced chillers and destruction of ODS is addressed? In addition to providing incentives, the project should provide support for enabling environment for disposal and destruction;
  - A proposal to use new chillers equipped with HFC-134a is unsustainable. HFC-free alternatives are available and have to explored taking into account their cost-effectiveness and EE potential;
  - Specific information on measures aimed at stopping illegal trade in CFC-containing equipment has to be provided.
3. PIF does not provide information about the significance of replacing 160 chillers at the national scale to ensure replication effect? Sector-specific analysis of chiller owners and detailed barrier analysis are important during project preparation. Dedicated follow-up strategy after project completion has to be developed and information provided at the project document submission.

<i>STAP advisory response</i>	<i>Brief explanation of advisory response and action proposed</i>
<b>1. Consent</b>	STAP acknowledges that on scientific/technical grounds the concept has merit. However, STAP may state its views on the concept emphasising any issues that could be improved and the proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.
<b>2. Minor revision required.</b>	STAP has identified specific scientific/technical suggestions or opportunities that should be discussed with the proponent as early as possible during development of the project brief. One or more options that remain open to STAP include: <ol style="list-style-type: none"> <li>(i) Opening a dialogue between STAP and the proponent to clarify issues</li> <li>(ii) Setting a review point during early stage project development and agreeing terms of reference for an independent expert to be appointed to conduct this review</li> </ol>

	The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.
<b>3. Major revision required</b>	STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical omissions in the concept. If STAP provides this advisory response, a full explanation would also be provided. Normally, a STAP approved review will be mandatory prior to submission of the project brief for CEO endorsement. The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.