Global Environment Facility

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COMPILATION OF TECHNICAL COMMENTS SUBMITTED BY COUNCIL MEMBERS ON WORK PROGRAM APPROVED BY COUNCIL ON NOVEMBER 12, 2009

NOTE: This document is a compilation of technical comments submitted to the Secretariat by Council members concerning the project proposals presented in the Work Program approved by the Council on November 12, 2009.

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BIODIVERSITY

1. Global : BS: UNEP-GEF Project for Continued Enhancement of Building Capacity for Effective Participation in the BCH [UNEP]

COMMENTS FROM FRANCE

1. The justification for extension of the project activities is based only on a recommendation from the last COP/MOP-4 (May 2008, in Bonn).

2. This new GEF contribution seems to be requested without any assessment of the previous financing of the UNEP-GEF BCH project.

3. In particular the PIF is not addressing the following worrying statement "The fact that three years after the entry into force of the CPB only little information is available on the BCH with records remaining incomplete, due to lack of funds, stakeholder involvement and weak institutional arrangements…" Instead of questioning the PIF rationale, this statement is on the contrary used to justify the continuation of GEF support which is not totally convincing.

4. Although the PIF provide "that impact indicators emerging from the terminal evaluation of global BCH project will be included in the full project document for CEO endorsement", it would be better that this terminal evaluation be available for council and STAP review.

5. Moreover, the sustainability of the overall capacity building effort is not clearly addressed. It is not clear if this program will contribute to the establishment of any kind sustainable local training centres or capacities which could take over the training activities on GEF funding project.

Opinion: favourable, with the following suggestion to take into account during project preparation: an external evaluation of the previous UNEP-GEF BCH project should be available, addressing the sustainability issues before engagement of this new 5 M USD program.

COMMENTS FROM GERMANY

6. During CBD MOP-4, it became obvious that a large number of the Members are not in compliance with the obligations of the Cartagena Protocol and the requests from the previous MOP-decision to provide information to the SCBD in general and the BCH specifically. The report of the SCBD "Operations and Activities of the BCH" (UNEP/CBD/BS/COP-MOP/4/3, eg.

para 18) reveals a substantial lack of information which was supposed to be made available in the BCH through the respective national institutions.

7. Based on these facts, Germany would like to request that the results of the evaluation of the first phase of the GEF BCH project on the ability of Member States to fulfill their obligations under the Protocol are taken fully into account. To make a second GEF BCH project effective and sustainable, the underlying causes of the low level of entries into the BCH have to be analyzed at the technical, administrative, and political level. A second GEF BCH project must be tailored in such a way to address these underlying causes adequately.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

2. Benin : SPWA-BD Support to Protected Areas Management [World Bank]

COMMENTS FROM FRANCE

8. The project is relevant and result from sound and strong investments in the conservation of the WAP complex, which is one of the few remaining large viable natural refuge available in the whole West African Savannah range.

9. The proposed Trust funds "*Fondation des savanes ouest africaines*" take into account the long term goal of contributing to the conservation of the WAP complex starting as a first stage to the conservation of the northern savannah of Benin.

10. Available information from the soon to be released "Conservation Trust Funds Investment performance Survey" by the Conservation Finance Alliance show that Trust funds remain a viable conservation finance tool although the recent crisis on the world stock market.

11. Most of the trust funds have limited their loss on the stock markets to -5 % in 2008 and are most of them about to recover the full amount of their endowment and capacity to finance on the long term the conservation of biodiversity.

12. For these reasons this project is critical and necessary for the long term protection of biodiversity in West Africa.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

3. Cameroon : CBSP Conservation and Sustainable Use of the Ngoyla Mintom Forest [World Bank]

COMMENTS FROM FRANCE

13. The project is innovative as it tries to articulate the development of a protected area complex with engagement of the private sector involved in economic activities to contribute to the sustainable financing of the biodiversity conservation.

14. The project tries to experiment some kind of biodiversity offset and payment for ecosystem services concepts.

15. The involvement of the WWF and World Bank is a guarantee of success, but the cost/effectiveness of the overall project will need to de strongly improved.

16. Indeed, it's not clear as for now that the private sector investments in the region could sufficiently contribute to the sustainable financing of all the conservation activities required conserving the Ngoyla Mintom Forest complex.

Opinion: favourable, with the following remark to take into account during project preparation: Assess the sustainable financing need to conserve the Ngoyla Mintom Forest complex and the capacity of the private sector to effectively contribute to the amount needed.

COMMENTS FROM GERMANY

17. Specific measures should be conceived that take into consideration that land-use planning and gazettement of protected areas and forests go beyond the mandate of the ministry in charge of forests. The government of Cameroon could outline how the institutional sustainability of land-use planning results can be achieved (e.g. improved gazettement process and attribution of land titles).

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

4. China : CBPF: Strengthening Globally Important Biodiversity Conservation through Protected Area Strengthening in Gansu Province [UNDP]

COMMENTS FROM GERMANY

18. The outcome indicator "At least 10 PAs covering at least 3,000,000 ha receiving 20% additional financing over baseline by project end" should be better specified to indicate that the outcome is measured in real terms, so that the project is able to demonstrate increased funding for conservation relative to increases in funding for other development activities. As the outcome indicators are currently stated, the project will probably be able to achieve them even without successful implementation of the project's more innovative elements.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

5. Costa Rica : Integrated Management of Marine and Coastal Resources in Puntarenas [IADB]

COMMENTS FROM FRANCE

19. The project provides an integrated approach for the management of Marine and coastal resources in the east coast of Costa Rica.

20. The project is very relevant as the fisheries of this coast are under high pressure, but reading the document PIF, the current activities proposed seem more of some "wishful thinking" than resulting from a detail field assessment.

21. The project should be improved on the following point:

- There is already some management agreement with fishermen on this coast and some regulations which are not correctly respected by fishermen and poorly enforced by local authorities : the project is not addressing how this new project will be able to get better result than what is already in place : additional training and sensitization seem not convincing to get better results.
- The project is not addressing the shark fining activities and traffic with neighbouring countries which are still very important in these area;
- We share the STAP concern concerning the feasibility of 2 PES (payment for ecosystem services) schemes. We add that these 2 PES scheme are supposed to provide sustainable funding for the activities, but the overall financial and technical feasibility of such schemes remain totally unclear. The project need to clarify what are these PES schemes, what is the level of ownership from stakeholders, and if the financial streams expected from these PES scheme will be sufficient to cover the costs of the integrated management of the coastal and marine resources.
- The project intend to develop alternative livelihoods for the fishermen families, but it remains unclear how much fishermen will benefit from these alternative compared to the number of fishermen implementing unsustainable fishing activities in the area (it is said that there is more than 11.000 fishermen in Costa Rica, and that a majority of them are in the project area, while it seem little convincing that the project could involve a massive shifting of activities of this population in only 4 years of project duration)

Opinion: taking into account these aspects, favourable subject to a strong integration of STAP recommendations.

COMMENTS FROM GERMANY

22. The statement: "It is not expected that significant climate change-related risks will prevent project objectives from being achieved in the timeframe of the Project," is misleading because impacts of the project should last beyond its timeframe. Considering that Central America will be considerably affected by climate change, adaptation measures should be integrated into the project design especially with regards to spatial planning.

COMMENTS FROM SWITZERLAND

Overall Comments

23. The project is presented under GEF's focal area Biodiversity and addresses the Strategic Programmes BD-SP4-Policy and BD-SP5-Markets, with the project complying with both of them.

24. The objective is to improve integrated planning and management of two Multiple-Use Marine Areas (MUMAs) in Costa Rica by: (i) strengthening the regulatory framework and local capacities; (ii) rendering productive activities (especially tourism and artisanal fishing) more sustainable; and (iii) by improving and systematising the information provided for decision making.

25. Switzerland recognises a significant potential of the project to generate benefits for local and global biodiversity as well as for the livelihood of the local population by introducing two pilot schemes on payment for ecosystem services, by assisting the certification of tourism activities and operators and increasing the area of production seascapes managed sustainably.

Conclusions and Recommendations

26. Switzerland recommends endorsement of this project.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

6. Guinea : SPWA-BD Mainstreaming Biodiversity in Mineral Governance in Guinea [World Bank]

COMMENTS FROM GERMANY

27. All three GEO Indicators should be clearly defined with figures, percentages and data. The full project proposal should differentiate approaches and biodiversity indicators between mining of iron ore in the Mount Nimba region, diamonds in Upper Guinea and Bauxite in the coastal region.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

7. India : IND-BD Mainstreaming Coastal and Marine Biodiversity Conservation into Production Sectors in the Malvan Coast, Maharashtra State [UNDP]

COMMENTS FROM GERMANY

28. We repeat the comment made to an earlier PIF of the same PA - In the document the challenge presented by climate change is considered a risk and not an integral part of the project concept. On the other hand the expected sea level rise among others will have considerable impacts on biodiversity and natural resource management and proposed measures should have the impacts of climate change in mind.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

8. Nigeria : SPWA-BD Niger Delta Conservation Project [UNDP]

COMMENTS FROM FRANCE

29. The project provides a sound and coherent framework for biodiversity mainstreaming into the Niger Delta oil and gas sector. It will involve public and private stakeholders (Shell, Total and other Oil and Gas companies).

30. The project is relevant to focus on the Niger Delta which is under tremendous anthropic pressures and demographic growth pressure.

31. The project will improve biodiversity threats assessment by using the integrated Biodiversity Assessment Tool (IBAT) which seems efficient and well accepted by major industrial companies.

32. The project will develop a conservation trust fund to provide long term funding for the protection of the Niger Delta and to secure the sustainability of the projects achievements.

Opinion: favourable.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

9. Peru : SFM Sustainable Management of Protected Areas and Forests of the Northern Highlands of Peru [IFAD]

COMMENTS FROM SWITZERLAND

Overall Commentaries

33. The project objective is to promote the sustainable and participatory management of protected areas and communal forested lands in the Northern Andean Highlands of Peru, addressing existing barriers and threats. The project will comprise 2 components:

(1) support to the regional system of protected areas: establishing a coordination platform, strengthening participatory management mechanisms in three protected areas, and coordinating and facilitating the establishment of a bi-regional conservation endowment fund for the management of the three protected areas,

(2) sustainable forest management in buffer zones: covering forest certification, sustainable forest management and support to market-based mechanisms for biodiversity conservation and sustainable use of natural resources. The latter includes a PES analysis.

34. Overall the project is consistent with GEF strategies and with its strategic programs, seems soundly embedded in the national priorities for conservation and its components seem soundly conceived and combined.

35. Recognising the early stage of preparation, it is obvious that the information given is still at a rather general level and therefore still leaves a series of questions open.

Questions, Concerns and Challenges for further Project Preparation

36. Questions, Concerns and Challenges for further Project Preparation:

- **Establishment of a bi-regional conservation endowment fund:**

  So far very little information is given on the institutional arrangement and the project's role and financial contribution to the establishment of this fund.

  Furthermore, with view to Peru's national system of protected areas and its rather rich biodiversity GEF country portfolio, among others with one specific project with a national trust fund for protected areas, the question must be raised whether it is cost-effective and strategically sound to foresee the establishment of a new endowment fund only for the three

concerned protected areas, and this somehow in parallel with the existing national trust fund. Instead of seeking forward sustainability through the establishment of local endowment funds at project level, would it not be more reasonable to further strengthen the already existing national trust fund, thus assuring a good coverage to the three protected areas in the given project region?

- **Payment for Environmental Services (PES):**

  The scope of the project regarding PES seems rather limited. Only the target to realise a PES analysis is clear, but it is unclear how the project will step further towards implementation. If the strategy regarding PES remains too vague, the project risks failing with the establishment of a PES mechanism.

- **Global and local environmental benefits**

  The PIF does not provide any indicators regarding the expected global and local environmental benefits. Thus, at this stage no appraisal in this respect can be done.

Conclusions and Recommendations

37. Basically we support the current project. However, we underline that many questions have to be resolved in further planning and that particularly the information regarding PES, as well as the targets and indicators regarding the global local environmental benefits, need to be well specified.

38. The project proponents claim to address existing barriers and threats. Also in this respect we expect that further planning provides detailed information and shows a consequent orientation of its targets in that respect.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

10. Togo : SPWA-BD: Strengthening the Conservation Role of Togo's National System of Protected Areas (PA) [UNDP]

COMMENTS FROM FRANCE

39. The project is relevant and provides an interesting initiative of redesigning the Togolese PA system.

40. The project seems to take into account the most recent assessment and initiatives in Togo, but it remains unclear if the project will collaborate with the West African Bureau of IUCN which is implementing a project fostering the efficient management of PA system in West Africa (*Programme Aires Protégées d'Afrique Centrale et de l'Ouest – PAPACO).*

41. This program has already implemented an African peer review of the Togolese PA system which was pointing some of the project challenges in the Oti Keran Mandouri Complex.

42. It would be good also that the project goes beyond the technical issues and also provides a sustainable funding strategy for the Togolese PA system.

Opinion: taking into account these aspects, favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

CLIMATE CHANGE

11. Global : National Communications to the UNFCCC [UNDP/UNEP]

COMMENTS FROM FRANCE

43. The project is focused on providing support to 50 non –Annex I Parties countries to prepare their National communication to UNFCCC.

44. It falls under a continuing enabling activities effort provided by the GEF, as financial mechanism of UNFCCC. The proposal is in line with this existing process. Its implementation raises nevertheless two points:

- The principle of "first-come, first served" is proposed to choose the 50 countries to be supported; how can we ensure that this principle doesn't leave in the long term countries without the relevant timely support to elaborate their National Communication?
- It seems as a sound principle to check that the countries applying for this project support have made good progress on the implementation on their current National Communication implementation before they are granted support to elaborate a new one.

Opinion: favourable

COMMENTS FROM SWITZERLAND

Overall Commentaries

45. This enabling activity aims at ensuring continuity in the preparation of national communications by Non-Annex I countries. As the preparation and submission of national communications is the single and most important commitment of all Non-Annex I Parties (NAI) a GEF council decision in November 2009 sends a strong signal to Copenhagen underscoring GEF's commitment to support this statutory task with the needed resources to allow timely start of, where appropriate, third or fourth national communications within the year 2010. The implementing agencies UNDP and UNEP estimate that 80 countries would submit their second national communication by end of 2010. It is estimated that 50 countries plan to request funding for their next national communication project before July 2010. Ensuring continuity in the

NatCom preparation process is important for keeping the teams mandated with this task together and continuously building their skills. Keeping touch with 50 (or in total around 140 NAI Party) Nat Com teams is a time-consuming task where essential skills have been built up within the UNDP and UNEP regional teams. Maintaining continuity with regard to these management skills is equally important for ensuring a smooth and timely implementation process. The project does not contain a continuation of the earlier "National Communication Support Programme", most likely assuming that for the design of such a scheme post-2012 Copenhagen Arrangement (role of MRV) will have to be known in order to respond optimally to the additional capacity development needs of NAI Parties under an emerging post-Kyoto regime, which can be expected to call for synergies with the NATCOM process. The PIF makes clear that the implementation of this project ensures the capacity development required for continuous improvement of the quality of the information provided in NAI national communications.

Questions and Challenges for further Project Preparation and Implementation

46. STAP supports the implementation of this project but has asked a number of questions which must be further clarified. Some of these questions can be attributed to the fact that the short PIF note without a graph displaying the current status of preparation of first, second and third national communication does not properly convey the rather complex current status of NAT COM preparation. Nevertheless the PIF note is unclear in 2 crucial points:

- The PIF document provides the information that for the first phase of the NATCOM process, the national stocktaking and stakeholder consultation USD 20'000 will be available per country leading to a detailed project document for NATCOM preparation. For the preparation of the NATCOM itself up to 480'000 USD will be made available under the expedited procedure. Appropriate resources for national capacity development for appropriate forms of regional cooperation and experience exchange seem to be included in this amount of 480'000 USD without stating this explicitly. Also the STAP question as to whether those countries who have already submitted their TNC proposal need to go to through the stocktaking exercise is not clearly answered in the PIF.
- The allocation of resources will follow the "first-come-first-served" principle. The project document is silent on how process continuity and consistency of information provided is assured between this set of 50 countries and the remaining approximately 90 NAI countries which need to be funded from the 5th replenishment of GEF, which will be decided only after the Copenhagen Conference. The project preparation process should foresee adapting the preparation of NATCOM guidance optimally to the emerging guidance by COP/MOP e.g. with regard to base-year of the TNC (2010?) of projects stated by 2010 end and the type of IPCC guidelines to be used.

Conclusions and Recommendations

47. On the basis of the above considerations we strongly recommend to go ahead with further developing the project taking into account the points raised in this project review. The issues

raised should be adequately addressed in the final document which will be submitted for CEO endorsement.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

12. Global (Colombia, Kenya) : TT-Pilot (GEF-4): Solar Chill: Commercialization and Transfer [World Bank]

COMMENTS FROM FRANCE

48. The project wants to promote the use of the "solarchill" technology for refrigerator in the health sector (vaccine) and then household and light commercial refrigerator.

49. The technology is meant to be environment friendly for the following reasons:

- "Solarchill" refrigerators do not rely on hydrocarbon fuel;
- "Solarchill" refrigerators are HFCs and HCFCs free; and
- "Solarchill" refrigerators do not use lead-acid batteries.

50. It relies on the production of direct current from which ice is generated and uses to cool the fridge rather than storing power in a battery.

51. This initiative, which mixed climate and ozone benefits must clearly be supported and developed.

- The PIF nevertheless should be clearer on the **rationale that led to choose Kenya and Colombia** as test countries for this third generation of "Solarchill".

  According to the PIF, the two countries were not involved in the testing the first two generations of "Solarchill" and do not have the benefit of this past experience.
- The PIF should also provide indication on the industrial "baseline" in the two countries: existing production of refrigerators, potential of the industry to address a regional demand.
- The third point is how to ensure that what is developing in Colombia and Kenya can later spill over in the neighbouring countries without giving Colombia and Kenya the monopoly of production of "Solarchill" refrigerators in their respective regions.

Opinion : favourable with a question on the choice of Colombia and Kenya and how to ensure that what is developed in the two countries can then be disseminated in the region.

COMMENTS FROM SWITZERLAND

Overall Commentaries

52. The project is well conceptualised and very promising. In order to efficiently cure the patients, the vaccine cold chain must not be challenged. Thus, access to affordable, efficient and no fuel-dependant refrigerators are crucial.

Questions, Concerns and Challenges for the further Project Preparation

53. Although the Solar Chill A technology does reduce the GHGs emissions, diminutions "are anticipated to be relatively small" (PIF, p.5). Nevertheless, the project is very relevant since it brings affordable and accessible refrigerators to remote hospitals, clinics, etc.

54. The last step of the vaccine cold chain being vital, having well-trained professionals is crucial. The project description states, "existing kerosene or LPG vaccine refrigerators have been built with adjustable thermostats that can be set to a freezing temperature [… *resulting*] in the destruction of large quantities of live-virus vaccines". Developing new products may not be the best solution. Special provisions should be taken to ensure that the Solar Chill A are adequately handled.

55. Neither results nor conclusions on the first two generations of the prototypes could be found on the Internet, which makes it impossible to provide a stringent assessment of the technology and its promises.

56. It seems that no market assessment has been conducted yet. This leads to a misunderstanding on the part of the real end-users. No assessment of potential overlapping or conflicts with existing manufacturers in both countries has been made.

Conclusions and Recommendations

57. It is central that UNEP and Solar Chill international and local partners ensure the scientific credibility of the data. It is promising that WHO certification is sought. For the product to be well accepted by the end-users a strong confidence in the product must be built up and an appropriate monitoring methodology should be developed. Thus, the project partners could guarantee that the announced figures in terms of energy consumption, CO2 emissions and fabrication costs actually match with the figures measured after fabrication.

58. A market assessment should be conducted in order to identify the existing demand and to ensure the market maturity.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

13. Global (Cook Islands, Turkey) : TT-Pilot (GEF-4): Realizing Hydrogen Energy Installations on Small Islands through Technology Co-operation [UNIDO]

COMMENTS FROM FRANCE

59. The project aims at increasing penetration of renewable energies on small islands through the transfer and use of hydrogen technologies.

60. We share the STAP recommendation about the maturity of the technology and its applicability in developing countries at this stage.

Opinion: taking into account this aspect, favourable subject to a strong integration of STAP recommendations.

COMMENTS FROM GERMANY

61. Hydrogen as an alternative energy source is not a proven technology, and it is unclear as to why a non-commercially viable technology is being tested in a setting that can be considered extremely challenging from an infrastructure point of view. Furthermore, it is unclear why the technology is being tested in the Cook Islands and Turkey, which are geographically disperse, and particularly in a country of 20,000 people (Cook Islands) where the cost-benefit per ton of CO2 savings amounts to about $550/ton. Apart from hydrogen fuel cells, other technologies to store renewable energies should be investigated as an alternative during project preparation.

COMMENTS FROM SWITZERLAND

Overall Commentaries

62. The production and storage of hydrogen using renewable energy sources is an approach to cope with major challenges of renewable energies (RE), particular in remote areas: the intermittent and stochastic, hardly transmittable nature of the supply of RE-sources such as wind and solar energy and the need for a supply matching demand around the clock ensured through low carbon technologies.

63. Although the basic project concept has certain merits (in particular environmental benefits) and is understood, there are too many question marks and foreseeable barriers so that the project at the current stage raises fundamental questions of GEFs low carbon (or beyond

horizon) technology promotion strategy. The main questions and concerns are outlined in the following paragraph.

Questions, Concerns and Challenges for further Project Preparation

64. The PIF claims that "small islands such as the Cook islands, due to their small size and remote locations, are ideal demonstration sites for RE-to-Hydrogen energy systems". Moreover, such islands "can offer great opportunities since their energy infrastructures are not yet fully developed". Evidence from the commercialisation of such technologies in the industrial world contradicts this optimistic assessment. The main counter-arguments are:

- Even in industrialised countries this technology is not at all proven and has not arrived at a commercial state yet – not even in industrialised countries.. This applies to technical/performance aspects, reliability, logistics and financial aspects.
- This technology implies a number of risks which first have to be studied and explored more in detail in order to be able to better assess the risks bound to establishing the planned hydrogen pilot installations.
- It has to be assumed that a remote island can very unlikely offer the required expertise in terms of qualified and experienced scientists and engineers to build-up such plants nor the staff and experience needed to operate and maintain highly sophisticated hydrogen pilot schemes.
- As in all these places diesel generator sets are providing backup power, the PIF does not explain how the cost barrier to diesel also at maintenance level would be overcome
- The proposed project sets on rather small-scale installations in the range of a few dozen kW. Efficient hydrogen energy systems will however definitely be large-scale installations. It is highly doubtful whether such tiny pilot plants – apart from enabling the operator to run basic processes testing certain functions – can help to produce notable "full size results" and gain the experience which is required to advance the process of making hydrogen energy systems a standard and commercially operable technology suitable for remote areas.
- A remote island is certainly not considered to be an ideal demonstration site, it offers neither high visibility nor does the lack of established energy infrastructure (and hence experience with such infrastructure) imply any advantage for the establishment of a completely new energy technology.

65. Apart from the above reasons that speak against the proposed project design, there are a number of additional question marks that adhere to a future hydrogen economy. Developing a hydrogen economy and trial applications are complicated and demanding enough even in an easily accessible area – without taking into account the additional challenges of building the capacity for establishing and testing the proposed installations on remote islands. As a number of studies have shown, the main barriers the development and introduction of hydrogen energy

systems must struggle with are: 1) high complexity and energy losses of hydrogen systems, 2) challenging handling/logistics, and 3) high costs, difficult market penetration.

Conclusions and Recommendations

66. On basis of above considerations we recommend to reconsider the technology strategy in close consultation with STAP and subsequently improving the project design taking into account the various points raised in this project review. The issues raised should be adequately addressed in the final document which will be submitted for CEO endorsement.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

14. Regional (Cook Islands, Tonga, Vanuatu, Samoa): PAS: Promoting Energy Efficiency in the Pacific [ADB]

COMMENTS FROM AUSTRALIA

General Comments

- Donor coordination, alignment with Pacific Island government energy policies and plans, and using harmonised programmatic approaches wherever possible is essential to reduce transaction costs and administration burdens for Pacific island countries.
  - It is pleasing to see that for the most part the PIFs for the three proposed projects outline how they link with existing energy activities in the Pacific region.

- The existing *Energizing the Pacific* coordination mechanism (separate to the project proposed in this work program) brings together many development partners and regional organisations active in the Pacific energy sector.
  - Partners meet quarterly to discuss Pacific energy issues and provide updates on active and future activities. This provides a valuable platform for development partners to discuss alignment of specific energy activities for better outcomes.
  - A key early outcome has been an agreement to undertake joint donor missions where practicable, thus reducing the burden on PICs.

- AusAID would urge any energy program undertaken in the Pacific to link with this coordination work.

Recommendation

67. To ensure greater and continued alignment we encourage partners in the *Promoting Energy Efficiency in the Pacific* and *Low-Carbon Energy Islands* projects to establish direct links with the *Energizing the Pacific* coordination mechanism that has already been put in place.

Comments

- Australia is supporting this project through its contribution to the ADB's multi-donor Clean Energy Fund. The ADB has already presented this project at the Energizing the Pacific donor coordination group to ensure its design complements and builds upon other work in the Pacific region.

- The energy efficiency measures promoted in this project, such as efficient street lighting, building codes and appliance standards, present a good opportunity to reduce the consumption of electricity in the Pacific, which is almost exclusively produced by diesel generators from fuel imports.

- The potential benefits from these measures include: reduced greenhouse gas emissions; more affordable electricity for households, business and government; and improved resilience to the volatile international oil market.

Recommendation

- We would be interested in clarification from the STAP on its recommendation that an analysis on renewable energy technologies be conducted as part of this project.
    - Besides being beyond the scope of this project, such analysis could duplicate work already underway, including by the ADB as part of its Promoting Renewable Energy in the Pacific project, which is also supported by Australia through the Clean Energy Fund.

COMMENTS FROM FRANCE

68. The project aims at reducing Greenhouse Gas Emissions and improving Energy Security through Energy Efficiency and Conservation. The project has a standard but efficient approach.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

15. Regional (Kiribati, Papua New Guinea, Solomon Islands, Vanuatu) : PAS Energizing the Pacific Regional Project [World Bank]

COMMENTS FROM AUSTRALIA

General Comments

- Donor coordination, alignment with Pacific Island government energy policies and plans, and using harmonised programmatic approaches wherever possible is essential to reduce transaction costs and administration burdens for Pacific island countries.
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Recommendation

69. To ensure greater and continued alignment we encourage partners in the *Promoting Energy Efficiency in the Pacific* and *Low-Carbon Energy Islands* projects to establish direct links with the *Energizing the Pacific* coordination mechanism that has already been put in place.

Comments

- AusAID is already engaged with the *Energizing the Pacific* project, having provided funding for its development through the Pacific Region Infrastructure Facility (PRIF). The PRIF is a multi-donor (AusAID/NZAID/ADB/World Bank

Group) infrastructure coordination and financing mechanism established to support infrastructure planning, development and management in PICs.

- AusAID supports *Energizing the Pacific's* focus on developing long-term, costed energy sector plans that address energy access and security in the region, in partnership with Pacific Island governments.

- AusAID further supports the harmonised approach to implementation whereby development partners and Pacific Island governments provide coordinated energy program implementation in line with agreed energy sector plans.

COMMENTS FROM FRANCE

70. We welcome this proposed comprehensive and gradual approach to promoting development of EE and RE markets in selected Pacific Island countries.

71. This project has long term goals in addition to short and medium term plans. The project aims to develop least cost energy sector plans.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

16. Regional (Nauru, Niue, Tuvalu) : PAS "Low Carbon-Energy Islands" - Accelerating the Use of Energy Efficient and Renewable Energy Technologies in Tuvalu, Niue and Nauru [UNEP]

COMMENTS FROM AUSTRALIA

General Comments

- Donor coordination, alignment with Pacific Island government energy policies and plans, and using harmonised programmatic approaches wherever possible is essential to reduce transaction costs and administration burdens for Pacific island countries.
  - It is pleasing to see that for the most part the PIFs for the three proposed projects outline how they link with existing energy activities in the Pacific region.

- The existing *Energizing the Pacific* coordination mechanism (separate to the project proposed in this work program) brings together many development partners and regional organisations active in the Pacific energy sector.
  - Partners meet quarterly to discuss Pacific energy issues and provide updates on active and future activities. This provides a valuable platform for development partners to discuss alignment of specific energy activities for better outcomes.
  - A key early outcome has been an agreement to undertake joint donor missions where practicable, thus reducing the burden on PICs.

- AusAID would urge any energy program undertaken in the Pacific to link with this coordination work.

Recommendation

72. To ensure greater and continued alignment we encourage partners in the *Promoting Energy Efficiency in the Pacific* and *Low-Carbon Energy Islands* projects to establish direct links with the *Energizing the Pacific* coordination mechanism that has already been put in place.

Comments

- AusAID is pleased to note that this activity intends to build on work already underway with the UNDP-GEF funded Pacific Islands Greenhouse Gas Abatement through Renewable Energy Program (PIGGAREP).

Recommendation

- To ensure that activities under this program continue to align with existing projects, AusAID would urge UNEP to participate in the Energizing the Pacific quarterly meetings mentioned above.

COMMENTS FROM SWITZERLAND

Overall Commentaries

73. Given the small budget of USD 1.5 million and the fact that very different activities are designed to be spread over three islands which are far from each other, the proposed project is overloaded and lacks a clear focus. Moreover, there are already a number of donors and RE promotion programmes in the pacific area so that the value that can be added by another "wide energy field" GEF-supported project can hardly be demarcated and outcomes and cost effectiveness hence will most likely remain cloudy. Nevertheless, the principal objective and strategy of the project to promote the acceleration of the use of RE and EE technologies on the three pacific islands makes sense. The following comments help to streamline the project proposal and to set a strong focus both in terms of the area and activities to be incorporated in the project.

Questions and Challenges for further Project Preparation

74. Energy needs, suitable technologies? The proposed project attempts to both promote RE and EE technologies without giving any indication on the forms and application of how energy (electricity, cold, process head, mobility?) could best be used. While in the area of RE a rather narrow focus seems to be set on wind and solar PV, the EE-area is rather vaguely described. At this early stage, both the STAP and the Reviewer recommend not to focus on any technology (why not biomass or even solar thermal technology and applications?) but rather to plan and conduct a comprehensive assessment of energy needs first. This could serve as a basis for both the design and development of an enabling framework and of energy strategies for the three countries as well as for the selection of the most appropriate technologies to be promoted.

75. Single wind demonstration plant? The project design obviously shows that the project should not only produce results on paper but also would like to generate an output with a certain visibility. The favoured concrete output envisaged is the implementation of a single wind power demonstration plant which might use up to 50% of the total project budget. This does not seem to make a lot of sense, in particular given the fact that a number of pilot wind plants have already been set up with the help of international donors/programmes in the region and given the high

risks for wind plants due to regular cyclones on these islands (in fact a number of wind plants have already been destroyed during the last five years)!

76. Private sector engagement? The PIF mentions that most of the RE promotion programmes have so far been driven by donors and subsidies. It also expresses the hope that "purely private companies will come in and play a strong role in building up RE-based systems. This is highly questioned. Due to the presence of a number of international programmes and experts and the highly subsidised tariff schemes it is very unlikely that a private investor or service company will take the risk to step in on a commercial basis. Rather, the project should make an endeavour to rework existing tariff schemes and to develop innovative financing schemes with a view to reducing reliance on subsidies and to decline market distortions so as to prepare for a less artificial market penetration of EE and RE technologies.

77. Smart Mini-Grids? The reviewer was at a first glance puzzled by the idea to promote the establishment of smart mini grids making use of highly sophisticated control devices and systems. However, this would be a truly innovative approach and – in combination with the bulk load in private households in Tuvalu which is apparently refrigeration – highly enabling conditions are already there to design and implement a complete demonstration smart mini grid with high efficiency refrigerators and probably some clusters of batteries (in UPS systems or electric vehicles of governments and international agencies) as core elements? Provided that the assessment of energy needs would confirm that cooling energy for refrigeration and other purposes is one of the high priority needs of one or even all of the islands, the reviewer, at a second glance, could even imagine that a truly narrow and innovative focus could be set if the project was designed as a pure energy efficiency project. This would increase visibility and make the GEF project of clear added value, leaving the well-perceived RE field to the other programmes and donors.

Conclusions and Recommendations

78. On basis of the above considerations we recommend going ahead with the development of this project but strongly advise to set a clear focus. The issues raised above should be taken into account and be adequately addressed in the final document which will be submitted for CEO endorsement.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

17. Brazil : Third National Communication to the UNFCCC [UNDP]

COMMENTS FROM FRANCE

79. The project plans to support Brazil in the elaboration of its Third National Communication to UNFCCC. While the first NC focused on GHG inventory and the Second NC focused on regional modelling of climate as well as vulnerability and adaptation research studies, this Third NC aims at taking the process one step further with the elaboration of adaptation strategies based on more focused vulnerability assessments in key sectors and better understanding of the drivers of deforestation (analysis of the current land use in deforested areas).

80. As indicated for project 11 "National Communications to the UNFCCC", the support to elaboration of National Communication falls under the obligation of the GEF as the financial mechanism of UNFCCC. Moreover, the focus of the Third NC on adaptation strategies and deforestation drivers appears relevant.

81. The PIF should explain nevertheless what is the rational to provide specific countries a dedicated support through a dedicated project while other countries will be support to elaborate their NC through a global collective project.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

18. Cambodia : TT-Pilot (GEF-4): Climate Change Related Technology Transfer for Cambodia: Using Agricultural Residue Biomass for Sustainable Energy Solutions [UNIDO]

COMMENTS FROM FRANCE

82. The project plans to support energy production from agricultural residue biomass: rice husk, rice straw, corn cobs, palm oil extraction waste, cashew nut shells. The development of this biomass energy scheme relies on transfer of technology in particular south to south transfers with neighbouring countries: India, Malaysia, and Thailand.

83. Given the importance of the agriculture sector in Cambodia, the project idea seems relevant. Some points would deserve nevertheless specific focus.

- **The project should look into the carbon cycle of the targeted agricultural production** and the impact of the intake of some of the biomass, and hence of the carbon from this cycle.

- The project should make sure although that it targets in priority **"biodiversity friendly" production** rather than agriculture activities that are fuelling a growing deforestation process in Cambodia.

- The last remark is generic and relates to the quality process of elaboration of the PIF which should be improved to avoid "cut and paste" mistake like the one in the first page of the PIF with a "description" section which applies to another project in Vietnam.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

19. Chile : TT-Pilot (GEF-4): Promotion and Development of Local Solar Technologies in Chile [IADB]

NO COMMENTS

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

20. China : Sino-Singapore Tianjin Eco-City Project (SSTECP) [World Bank]

COMMENTS FROM FRANCE

84. The project plans to support the development of an Eco-city in Tianjin. The operation considered would concern an area of 30 km² and 350 000 people. An investment plan of 5, 8 billions USD by 2020 is being discussed. The scheme is based on a partnership with Singapore.

85. The project is to support a shift from conventional sector specific approach to an integrated city-based approach. This integration process is the planning phase of urban development is key to a major limitation later of GHG emissions in every "compartment" of an urban area: transport, housing, waste.

86. That's why the first component of the project "Implementation framework" should be considered as the core of the project.

87. The project then chooses 2 sectors to be supported in the implementation of the eco-city development: transport with a view to ensure a comprehensive integration of land use and transport planning in particular and housing.

88. While the activities considered on the housing sector appear to be "classical", the transport part is clearly innovative and should receive the major part of the GEF support funds for the investment phase.

89. This transport – land use approach should address a central point of urban development and its carbon "cost" which is the density of the urban area. Chinese cities are currently relying on "not so dense" urban forms which are implying important transport distance for example. The model which is going to be use in this eco-city should be clear. The same remark applies to housing and criteria like the average size of flats per household, etc.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

21. China : TT-Pilot (GEF-4): Green Truck Demonstration Project [World Bank]

COMMENTS FROM SWITZERLAND

Overall Commentaries

90. The project focuses on "green truck technologies" and intends to retrofit (more than) 150 old and to purchase (more than) 150 new trucks, to invest in driver training programs, to organize licence transfers and to engage in capacity building. The project puts the focus on an area with substantial and realistically attainable potentials of fuel savings resp. CO_2-emission reductions.

Questions, Concerns and Challenges for further Project Preparation

91. Questions, Concerns and Challenges for further Project Preparation:

- In the preparation steps, the project could and should be made more transparent in how the resources will be allocated. Since the project distinguishes clearly separable tasks, it should be shown which sums are allocated to which task.
- More transparency would also be beneficial with respect to the "innovative financing mechanisms" as well as the economic benefits generated by the project which are likely to be significant (12% lower operating costs). Is there a clear and transparent strategy about the ownership of these savings?
- The project focuses on "green truck technologies" and mentions as examples improved aerodynamics systems and improved tire systems. Since the particles emitted by diesel engines are one of the most important negative effects the project would benefit by integrating also diesel particle filters (DPF). DPF as such do not reduce energy consumption but they reduce PM emissions most effectively (>90%). Beyond the immediate local benefit for improved air quality this may also have an important impact on global warming. The demonstration project would be an ideal place for integrating DPF as a cutting-edge technology.
- The proposal also mentions in vague terms "improved logistics management". It would help the project if the underlying ideas were made more explicit. This also would enable realistic assessments of the fuel saving potential. In addition, it would allow a better link of the project to the strategic transport development plans, particularly if these include intermodal traffic (e.g. road/rail).

Conclusions and Recommendations

92. The project in principle deserves the support because it has a significant potential for fuel savings and CO_2-emission reductions. In addition the replication potential is likely to be huge. However, the project would benefit from increased transparency (technologies, financial allocations, ideas about financial mechanisms, logistics management). In addition the project would benefit from integrating DPF as one of the important "green truck technologies" (if these are not yet part of the project proposal).

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

22. Cote d'Ivoire : TT-Pilot (GEF-4): Construction of 1,000 Ton per day Municipal Solid Wastes Composting Unit in AKOUEDO Abidjan [AfDB]

COMMENTS FROM FRANCE

93. The project aims at supporting technology transfer for a sustainable integrated management of the municipal solid wastes in the agglomeration of Abidjan. The observations made in the GEF note on the conditions of the Akouedo site (unsanitary, disease risk, women and children sort the garbage unprotected landfill near homes and water points ...) is very relevant. There is a real need to find a sustainable solution to the collection and processing of solid waste. The idea of a recovery unit on site is well regarded (the unit could possibly hire the trash pickers on the site). Knowing the situation of Abidjan, the project is particularly relevant. However, it would be necessary:

- to check the links between this project and new landfill projects, developed by private developers ;
- to check the suitability of this program with the Emergency Program (PUR) World Bank. Is it in continuity, or is it a parallel action?
- to ensure the sustainable organization of the collection, and resolution of the conflict of jurisdiction between ministries and local authorities. This institutional uncertainty is the main cause of the current situation.

94. What is the support for the municipality of Abidjan in this project?

95. We focus also the attention to the public-private partnership agreement which is not detailed in the PIF. Is it a BOT?

96. **The responsibilities of each stakeholder (ministries and local municipality…) should be clarified : this is a main issue for the sustainability of the project.**

Opinion: favourable

COMMENTS FROM SWITZERLAND

Overall Commentaries

97. The actual situation of municipal solid waste (MSW) disposal in Abidjan, as reported in the PIF, may lead to grave problems concerning health, safety and environment issues. Clearly, a solution for this situation is needed.

98. The project covers important priorities of an integrated waste management system:

(1) It will establish a reliable and appropriate collection system;

(2) It will reduce the quantity of waste to be land-filled;

(3) It will reduce the land-filling of organochemical, biodegradable or water-soluble waste and thereby reduce the emissions of greenhouse gases and problematic water effluents; and

(4) It will compost bioorganic waste in order to make use of it as a resource for agricultural production.

99. The combination of waste-sorting, separate collection of certain waste-streams destined for recycling and finally the manual, mechanical and electromagnetic separation of the remaining mixed municipal solid waste at the treatment-plant will improve the quality of the bioorganic fraction that will be composted.

100. The chosen technology is however not capable by itself to deal in the long term with hazardous substances that contaminate the MSW, e.g. heavy metals from paints or from galvanic workshops, or ecotoxic or toxic organochemicals from households, workshops, hospitals or agriculture (pesticides, unused pharmaceutics, Polycyclic Aromatic Hydrocarbons PAH etc.). All these substances will impair the quality of the compost and may in the long term endanger the quality and fertility of the soil. Future developments of the system should also cover these issues.

Questions, Concerns and Challenges for further Project Preparation

(1) The composition of the MSW may vary over time; so that its once assessed suitability for compost production could change. Therefore, an adequate and regular monitoring of the compost quality, especially its eventual contamination with persistent hazardous substances (e.g. heavy metals, Polycyclic Aromatic Hydrocarbons PAH, PCB etc.) that will impair soil-quality and -fertility, must be assured. No mention is made of this in the PIF.

(2) In paragraph J.b. of the PIF (page 11), methane production in the composting unit is mentioned, and there is a reference to its capture and flaring in a component outside of the GEF-project. This seems a waste of energy. The system could be

optimized in the future if the biogas is used for energy production. This point is also addressed by STAP.

(3) No up-stream separation of industrial waste like paints, lubricants, household- and workshop chemicals, waste pharmaceutics etc. is mentioned in the project. In the long term, with the separate collection and treatment of hazardous waste (as covered by the Basle Convention) the MSW may be depleted of hazardous substances, and the quality of the compost will be improved.

(4) The manual, mechanical and electromagnetic separation of MSW will not eliminate or destroy hazardous inorganic and organic substances contained in the waste. It merely distributes these substances into different fractions. Future developments of the system should open the possibility for a thermal treatment of problematic waste-fractions, e.g. in the high-temperature kilns of nearby cement-plants, where organochemicals are destroyed and metallic compounds are firmly bound into the product.

Conclusions and Recommendations

(1) The project is an amelioration of the actual situation and should be supported.

(2) The points raised by STAP for further guidance should be considered in further planning and during project implementation.

(3) A monitoring concept for the compost quality (parameters to analyse, accepted limits, frequency of the analyses, costs and financing) should be established at the start of the project.

(4) Concepts for the energy-use of the biogas, the up-stream separation of hazardous waste and the possibilities for a thermal treatment of problematic waste fractions should be elaborated parallel to the realisation of the project.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

23. Mexico : TT-Pilot (GEF 4): Promotion and Development of Local Wind Technologies in Mexico [IADB]

COMMENTS FROM FRANCE

101. This project aims at strengthening domestic wind energy markets in Mexico.

102. As well as STAP, we recommend conducting detailed barrier analysis that should **include market survey** (incl. supply/demand analysis for projected installed capacity), analysis of infrastructure barriers, and **competitiveness of domestic designs of wind turbines vs. technologies available in international markets.**

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

24. Niger : SPWA-CC: Integration of Greenhouse Gas Emission Reductions in Niger's Rural Energy Service Access Program [UNDP]

COMMENTS FROM FRANCE

103. The project aims at developing access to sustainable energy services through Energy Service Operators. But no detail is given regarding the potential partners.

104. What are the institutional arrangements? What are the local stakeholders and the energy services providers?

105. In addition, the project should explore the potential role of carbon finance for the development of energy services.

Opinion: favourable

COMMENTS FROM SWITZERLAND

Overall Commentaries

106. The project relating mainly to capacity building and technical assistance meets an existing demand in Niger for more modern and adapted energy services.

107. Though promising, the project as described in the PIF is too broad and too vague. The complexity and the amount of sectors of services to be tackled may put the project under threat.

Questions, Concerns and Challenges for further Project Preparation

108. On the conceptual side:

- Overall, the PIF is a good answer to existing needs and demands relating to energy services. The transversal approach seems well conceptualised and will ensure an inclusive participation in the PRASE.

- Nevertheless, the project as it stands today seems too ambitious and the variety of sectors to be tackled will be very difficult to handle. The project should be focusing on fewer services/initiatives and provide better targets. A monitoring tool should be developed.

- Monitoring: There is no information on the monitoring of the phase and the ESO. A monitoring concept should be developed to ensure the smooth and efficient development of the project.

109. On the technical side:

- PV pumping is an efficient and affordable technology for drinking water but it is certainly too expensive and hardly feasible and adapted for large-scale irrigation.

- Irrigation of 3900 ha with PV technology seems a very ambitious target and will surely not be feasible with the budget provided in the PIF.

- In the case that the 128 multifunctional platforms are to be run with bio fuels (not clear in the PIF), special care must be taken to ensure that the sustainability of this energy resource is guaranteed and that it does not conflict with food crops.

- The biogas technology is a very complex energy to handle. So far, there is no convincing project of biogas technology in Africa.

Conclusions and Recommendations

110. It is felt that the scope of the project could be reduced to fewer action lines (1 to 3 actions) or the financial means be increased correspondingly.

111. This first-cum-pilot phase must be stringently monitored. A monitoring tool should be set up. It would help in the selection of the services to be developed as well as in the identification of achievable targets and goals. The following phases would surely benefit from such a methodology.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

25. Senegal : TT-Pilot (GEF-4): Technology Transfer: Typha-based Thermal Insulation Material Production in Senegal [UNDP]

NO COMMENTS

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

26. Sri Lanka : TT-Pilot (GEF -4): Bamboo Processing for Sri Lanka [UNIDO]

NO COMMENTS

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

27. Thailand : TT-Pilot (GEF-4): Overcoming Policy, Market and Technological Barriers to Support Technological Innovation and South-South Technology Transfer: The Pilot Case of Ethanol Production from Cassava [UNIDO]

NO COMMENTS

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

INTERNATIONAL WATERS

28. Global (Global) : MENARID GEF IW:LEARN: Strengthening IW Portfolio Delivery and Impact [UNDP/UNEP]

COMMENTS FROM FRANCE

112. IW: LEARN is a portfolio-wide knowledge management and capacity building initiative which encouraged IW partners networking.

113. This initiative could be considered as a Conference of the Parties that don't exist for IW focal area.

114. The outcomes of former IW: LEARN phases allowed to strongly support this new initiative.

Opinion: favourable

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

29. Regional (Albania, Bosnia-Herzegovina, Algeria, Egypt, Lebanon, Libya, Morocco, Montenegro, Syria, Tunisia) : MED Integration of Climatic Variability and Change into National Strategies to implement the ICZM Protocol in the Mediterranean [UNEP]

COMMENTS FROM FRANCE

115. The ICZM protocol in the Mediterranean has been recently approved by the riparian countries with a strong support of France.

116. It is the first regional legal instrument that deals with the issue of climate change at regional and local levels.

117. The project is closely related to Strategic Partnership of the Mediterranean Large Marine Ecosystem funded by **FFEM** under UNEP implementation.

Opinion: favourable

COMMENTS FROM SWITZERLAND

Overall Commentaries

118. This project will assist participating countries to implement the Protocol on Integrated Coastal Zone Management (ICZM), signed in January 2008 under the Barcelona Convention, by facilitating region-wide coordination mechanisms, national actions and the development of tools to address climate variability in the Mediterranean.

119. The PIF rightly points out that recent research forecasts major climate change effects for the Mediterranean region, in particular significant temperature rise, sea level increase and decrease in mean precipitation. The PIF also states that a common Mediterranean voice on climatic issues has, until now, been very discreet in the international arena.

120. We confer with the STAP's advisory response that this PIF describes a well-founded project backed by good knowledge of the biophysical and sociopolitical circumstances facing the Mediterranean, and supported by a new international agreement (the ICZM Protocol), the implementation of which the project will support.

Questions, Concerns and Challenges for the further Project Preparation

121. The expected project outcome to build a regional consensus on the development, program framework and implementation of a long-term program to monitor climate variability in the marine and coastal zone of the Mediterranean is ambitious. Having participating countries with a considerable variety in types of coastal zones (e.g. Montenegro compared to Egypt), the challenge will lie in jointly developing a regional monitoring program while allowing appropriate variety in targets and impact indicators for coast type specific analysis. In this view, it might be helpful to increase the minimum number of model applications to coastal areas and of impact analysis / action planning in critical areas. Presently, a minimum of 2 and 2-5, respectively, are foreseen under component 2.

122. We understand that the strength of the proposed project lies in its scientifically well-founded approach to technical tasks ensuing from the ICZM Protocol. In this view, we feel that the focus of project GEF-financing under component 3 should be laid on the identification and exchange of the most efficient and cost-effective tools, rather than on more general institutional strengthening inputs, such as establishing Interministerial Coordination Committees, adapting national planning processes, etc. We believe that these latter tasks could beneficially be included in other components of the Mediterranean Environmental Sustainable Development Program or be financed by the countries.

Conclusions and Recommendations

123. We recognise the importance of the targeted ecosystems, their transboundary character, the relevance of the project objectives and their consistency with GEF strategies and strategic programs.

124. We recommend to continue with project preparation while taking into account the issues raised above.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

LAND DEGRADATION

30. Global : Enabling Paradigm Shift on Monitoring and Assessment within the UNCCD - Piloting the Reporting of the Performance Indicators 2010 [UNEP]

COMMENTS FROM FRANCE

125. The UNCCD is the international device in charge of land degradation in particular in African dry lands countries. The present project will involve assessment of national and regional performance strategies. It will establish a knowledge management system based on former experiences.

126. **France** is strongly involved in building on performance indicators process through the French Scientific Committee Combating Desertification (CSFD) that will be mobilizing by the Project.

Opinion: Favourable

COMMENTS FROM GERMANY

127. Germany welcomes the initiative on "Enabling paradigm shift on monitoring and assessment within the UNCCD-Piloting the Reporting of the Performance Indicators in 2010". The proposal from UNEP is well founded and represents a very timely support to parties in their efforts to implement the 10-year strategy of the UNCCD. Support to reporting in this case is embedded in capacity building and system development for Monitoring and Assessment of UNCCD Implementation and Land Degradation. As such it can be approved. Nevertheless we wish to underline that pure reporting activities should not become regular funding activities for the GEF. We therefore suggest to delete the second part of the project title. The title should then read "Enabling paradigm shift on monitoring and assessment within the UNCCD". During further conceptual development of this project the following aspects should be taken into consideration:

- Mobilize a maximum of bilateral and regional partners that are engaged in strengthening focal point structures in order to enhance sustainability of the project.

- Provide sufficient back-stopping to guarantee quality and comparability of monitoring systems and reports.

- Emphasize participation and ownership of the process and quality of the reports (best practices) rather than on the quantity of countries covered.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

MULTI-FOCAL AREA

31. Russian Federation : TT-Pilot (GEF 4): Phase Out HCFCs and Promotion of HFC-free Energy Efficient Refrigeration and Air-Conditioning Systems in the Russian Federation through Technology Transfer [UNIDO]

COMMENTS FROM GERMANY

128. The project document points out the possibility that the phasing out of ODS may not always be the most climate-friendly option in terms of the GWP of the gas used to replace the HCFC. All feasible options to create win-win scenarios both for the ozone and the climate should be considered. HCFC-22 has a GWP of 1810. There are alternatives to HCFC22 that are Ozone Friendly but not climate friendly. These include: HFC 143a, HFC 404a, and HFC 407c. If these substances are being considered as alternatives, then the project does not achieve its multi-focal area goal of creating win-win scenarios for the ozone and the climate. Alternatives that are both climate and ozone friendly are: HC 290 (for air conditioners), HC 600a (for refrigerators), NH3, and CO2. Germany recommends that both climate and ozone friendly substances be used as alternatives to HCFC22 for this project.

COMMENTS FROM SWITZERLAND

Overall Commentaries

129. The project as a primary objective addresses HCFC phase-out in the foam and refrigeration manufacturing sectors and as a secondary objective promotes introduction of energy efficient designs of refrigeration appliances. The overall project design is well designed and linkage between Montreal Protocol and Kyoto protocol activities is targeted. Some elements and barriers however are not adequately addressed in the PIF and need to be elaborated for the full project brief as outlined below.

Questions, Concerns and Challenges for the further Project Preparation

130. With respect to component 4 (Development of ODS destruction facility and collection network) it is a known fact that the main challenge for recovery and recycling/destruction schemes will be an economically viable and effective recovery and logistics system. The PIF touches on this aspect only marginally. Furthermore the potential and role of market mechanisms such as CDM or voluntary carbon market for promoting refrigerant recovery and destruction should be elaborated more extensively. Both aspects should be carefully addressed

in the project design and implementation otherwise a risk is prevalent that this component cannot deliver the targeted impact.

131. In evaluating the optimum technology options for HCFC phase-out the latest policy developments which potentially lead to HFC phase-out under the Montreal Protocol activities need to be considered adequately to avoid stranded investments and multiple conversions.

132. Activities under component 5, market stimulation of energy efficient appliances, needs to be closely coordinated with ongoing programme on standards and labelling for promoting energy efficiency in Russian Federation. Though the PIF briefly touches on this, proper consideration has to be given in project preparation and implementation. Also, the issue of incremental cost for the buyers of efficient RAC units is not yet adequately addressed (willingness to pay). How can this barrier be effectively worked on?

133. Under component 6 (Technology Transfer) no reference is made in the PIF to support/establish a sustainable domestic development and research infrastructure. How can continuous compressor efficiency and technology improvement be sustained after the project end?

Conclusions and Recommendations

134. On basis of above considerations we recommend going ahead with further developing the project and taking into account the various points raised in this project review. The issues raised should be adequately addressed in the final document which will be submitted for CEO endorsement.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

32. Senegal : SPWA-BD Participatory Conservation of Biodiversity and Low Carbon Development of Pilot Ecovillages at the Vicinity of Protected Areas in Senegal [UNDP]

COMMENTS FROM FRANCE

135. This project tries to provide an integrated approach for the management of Biodiversity and Climate change but the current activities proposed do not result from a detail field assessment.

136. The project should be improved on the following point:

- The project intends to create 7 Community Natural Reserves (CNR) in the periphery of some protected area to decrease unsustainable use of natural resource in the park, but is not providing assistance to the cause of mismanagement of these parks.
  This is particularly the case of the Niokolo Koba National Park, where a certain abandon from the Senegalese authorities is resulting in the collapse of this park, and this ecovillage initiative seems not at the size of the challenges faced by this National Park.
  The outcomes of these CNR are not convincing at this stage.

- The project intends to provide a wide range of alternative sources of energy without relevant technical and economic assessment.
  The project is covering an all direction strategy : briquetting and pelletizing of non-woody biomass, improved cooking hearths, development of local agro fuel from Jatropha, etc… the technical feasibility and economic sustainability of all these alternatives are not yet proven in Senegalese rural areas and might probably be not competitive with the current charcoal or wood source of energy.
  The project should demonstrate the feasibility before to invest funds on those activities.

  The project might have some social negative effects contributing to impoverishment of rural poor as it proposed to enforce a ban on kerosene lamp and system without providing economically sustainable alternatives.

- The project is also willing to develop some PES schemes in pilot ecovillages, but the PIF includes no details of the service to be paid for or the potential buyers; the full project should include a detailed plan for this PES pilot project.

Opinion: the above questions and remarks should be taken into account during project preparation.

COMMENTS FROM SWITZERLAND

Overall Commentaries

137. The Project's objective appears to respond well to the felt need of a large portion of the population in Senegal which has embarked on unsustainable methods of natural resource use. The situation of unsustainable use of natural resources that is giving rise to this proposal is well described in the proposal. The objective seems therefore justified.

138. However, while the objective proposes to 'remove barriers' to the effective application and so on, the sequence of expected outputs and outcomes rather suggests that the establishment of pilot eco-villages may only demonstrate the effectiveness of measures proposed. An effective 'removal of barriers' may, therefore only be possible if the experiences, learning, results etc., of the pilot activities are subsequently mainstreamed, an activity that is not part of this proposal.

139. Leaving the climate change aspect aside, similar projects have been realised in the past in many countries. A central learning from those projects is that the land ownership system, resp. the question of secured usership is central to the survival of large land restoration projects. This proposal is not explicit on how the Project intends to address this question.

140. The Project is ambitious in that it intends to transform domestic cooking practices within a period of 60 months, a target that similar projects (India) have not achieved in decades.

Questions, Concerns and Challenges for the further Project Preparation

141. Questions, Concerns and Challenges for the further Project Preparation:

(1) The issues mentioned above need to be clarified in the course of further Project preparation.

(2) The proposal to embark on locally based energy production from *Jatropha* oil is interesting. However, the proposal needs to be more explicit on how to realise this and especially how the recurring investments of such system should be generated.

(3) In outcome 3 the important element of 'adaptation to climate change' should be highlighted more clearly. The transformation of domestic cooking practices does indeed reduce GHG through reducing the consumption pressure on woody species so that their sequestration potential and the sequestration potential of soils are maintained. In addition the environmental recovering contributes considerably to

strengthening the adaptive capacity of people in the area. This effect is only insufficiently mentioned in the proposal and should be strengthened.

(4) Outcome 4 appears rather vague. It proposes to develop and test PES schemes and suggests that these PES schemes should include the development of plant nurseries, the regeneration of mangroves and the systematic collection and composition of waste. All these activities are rather far from PES schemes. The heart of PES schemes is to identify and develop perceptions on the value of environmental services. Perceptions so developed will then contribute to enacting legal and institutional frame conditions which may reduce the danger of degradation. Only at a later stage (beyond 60 months) may actual payment for environmental services then be realistic.

Conclusions and Recommendations

142. As the project addresses important issues for the development future of Senegal, it is recommended to support the Project. However, clarification of the points mentioned above is requested and a more realistic level of outputs and outcomes within the Project period should be developed.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

33. Tunisia : MENARID Ecotourism and Conservation of Desert Biodiversity [World Bank]

COMMENTS FROM FRANCE

143. The Project is supporting Integrated Natural Resources Management in Tunisian arid areas through promoting incentives for rural population and private sector based on developing of sustainable nature-based tourism. This approach is consistent with Tunisian sustainable development strategy in arid areas.

144. The Project should pay a special attention to water resources mobilize for ecotourism activities and promote sustainable use of it.

Opinion: favourable taking into account water resources

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

PERSISTENT ORGANIC POLLUTANTS

34. Regional (Burkina Faso, Benin, Central African Republic, Cape Verde, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Sierra Leone, Senegal, Sao Tome and Principe, Chad, Togo) : AFLDC:Capacity Strengthening and Technical Assistance for the Implementation of Stockholm Convention National Implementation Plans (NIPs) in African Least Developed Countries (LDCs) of the ECOWAS Subregion [UNEP/UNIDO]

COMMENTS FROM GERMANY

145. It is noted with regret that the project will not embark on POPs disposal operation. With reference to the coordination with other GEF supported POPs disposal operations it has been noted that these are presently confined to Tanzania only. Synergies of the activities focusing on corresponding strengthening of capacities should be explored further.

COMMENTS FROM SWITZERLAND

146. Out of the projects reviewed by Switzerland, only one seems to be rather critical and requires attention in the discussion of the work program:

- **N°34: POPs Regional:**

  The PIF provides only a very vaguely understanding of concept, institutional arrangements and costs. Overall the activities seem much dispersed, and a further concentration of key targets and activities should be a must. Considering that project costs amount to 16.4 million USD and GEF contribution 8 million USD, one could expect more information and a sounder concept at the PIF stage.

Overall Commentaries

147. The project aims at Capacity Strengthening and Technical Assistance for the Implementation of National Implementation Plans (NIPs) for the Stockholm Convention on POPs in Least Developed Countries (LDCs) in Africa.

148. It covers a wide range of measures contributing to POPs-management at national level in different countries, mainly in the field of capacity building. Somehow the envisaged problems are very heterogeneous, ranging from production processes and waste disposal to contaminated sites. This lack of focusing could make it difficult to reach practical results. Included are mainly

activities at framework-, capacity building-, information-and identification-level. From the project framework it is not clear what the appropriate measures at technical level would be.

149. The information on costs and financing is very rough. Since GEF-agencies (UNIDO and UNEP) are also represented at project implementation level (NCPCs, regional training centres of Basel Convention) it will be crucial to guarantee a very transparent financial management.

Questions, Concerns and Challenges for further Project Preparation

150. Questions, Concerns and Challenges for further Project Preparation

- The cost estimation should be given in more detail. Its not clear what exactly the money is planned to be used for.

- The project goals should be defined more clearly. What will be the expected result in the different project areas? How could the output be measured / monitored? What is the estimated percentage or absolute amount of POPs removed by the different measures? What is the cost/benefit-ratio in the respective cases (e.g. how much dioxins are removed / prevented per which amount of money used?)?

- Who is exactly doing what in this project? How is the responsibility shared between the different national and international partners? What is the role of UNEP/UNIDO at operational level (since they are present in the countries through their CP- and Basel Convention-Centres)?

- Which are the technical measures planned? Do they have to be elaborated during the project? How can it be made sure that the identified BAT&BEP-measures are implemented at company level, especially if this needs further financial investments?

Conclusions and Recommendations

151. The project addresses relevant problems in the field of POPs-Problems and seems to be consistent with GEF-Strategies. However, the approach is very generic and the project document leaves some important questions open. Despite the early stage of preparation, we would expect a sounder and more detailed description, and therefore request that the problems mentioned here are well resolved in further planning.

WORK PROGRAM: COMMENTS FROM COUNCIL MEMBERS (REFERENCE TO GEF C.36/7)

35. Regional (Lesotho, Madagascar, Mozambique, Tanzania, Zambia) : AFLDC:Capacity Strengthening and Technical Assistance for the Implementation of Stockholm Convention National Implementation Plans (NIPs) in African Least Developed Countries (LDCs) of the SADC Subregion [UNEP/UNIDO]

COMMENTS FROM FRANCE

152. The project plans to support Lesotho, Madagascar, Malawi, Mozambique and Tanzania to implement their Stockholm convention National Implementation Plan and strengthen their capacity to manage chemicals.

153. Several sources of POP: chemical have been identified: pesticides, electricity production and distribution (PCB), open air, uncontrolled burning of waste. The project will address these different sources through the development of adequate legislative and regulatory framework, strengthened administrative and enforcement capacities, good practice in terms of waste management.

154. Such steps are necessary, but it is clear that the efforts of the project will bear fruits only if "investment" money is identified after to ensure that the frameworks, good practices are implemented. And it is clear also that the private sector will be able to cover such needs on its own. So the project should explain how the link with this implementation phase will do to ensure the sustainability of the results.

Opinion: favourable

COMMENTS FROM GERMANY

155. It has been noted that management of POPs waste (including PCBs) have been specifically listed as priority area in several participating countries. To this regard further clarification may be useful about the links between the activities under this project with GEF Project ID 2770 (Regional) - Demonstration of a Regional Approach to Environmentally Sound Management of PCB Liquid Wastes and Transformers and Capacitors Containing PCBs. Synergies of the activities focusing on corresponding strengthening of capacities could be explored further.

156. It is noted with regret that the project will not embark on POPs disposal operation. With reference to the coordination with other GEF supported POPs disposal operations it has been noted that these are presently confined to Mali only. Synergies of the activities focusing on corresponding strengthening of capacities should be explored further.