

**Technical Comments submitted by the United States on
GEF Projects in the March 2010 Intersessional Work Program**

GEF PROJECTS

- 4. Regional (Indonesia, Cambodia, Philippines, Vietnam): Removing Barriers to Invasive Species Management in Production and Protection Forests in SE Asia – GEF Biodiversity Focal Area (UNEP)**
 - The United States is encouraged to see a project that recognizes the significance of invasive species for forest health, biodiversity, and ecosystem services.
- 8. China: CBPF: Demonstration of Estuarine Biodiversity Conservation Restoration and Protected Area Networking – GEF Biodiversity Focal Area (FAO)**
 - The United States supports this project. We believe the approach and policy perspective are good and that the proposal considers the need for integrated and comprehensive support.
 - We are pleased to see that the project brings together federal, state, local, and academic partners and that it will share best practices.
- 10. Colombia: Mainstreaming Biodiversity in Palm Cropping in Colombia with an Ecosystem Approach – GEF Biodiversity Focal Area (IADB)**
 - The United States believes that implementing biodiversity programs throughout the palm sector would be positive.
 - We suggest that the risk assessment framework should consider the historic poor labor practices in the palm industry.
- 12. Guatemala: Promoting Ecotourism to Strengthen the Financial Sustainability of the Guatemalan Protected Areas System (SIGAP) – GEF Biodiversity Focal Area (UNDP)**
 - The United States supports the proposal's focus to develop ecotourism in the Guatemalan Western Highlands.
 - We also believe that ecotourism will provide added economic value to the protected areas.

13. Malaysia: Biodiversity Conservation in Multiple-Use Forest Landscapes in Sabah – GEF Biodiversity Focal Area (UNDP)

- The United States has reviewed the STAP comments and believes that these are accurate, but not insurmountable.
- We recognize that REDD-plus is an important issue for Malaysia.
- We note that the Sabah Forestry Department is professional and forward-looking and that they have previously demonstrated their capacity to implement sustainable forestry management practices.

20. Thailand: Sustainable Management of Biodiversity in Thailand's Production Landscape – GEF Biodiversity Focal Area (UNDP)

- The United States believes that the focus on wild shrimp, bamboo, and non-timber forest products is good because these products are important for rural livelihoods and biodiversity conservation in Thailand.
- We suggest that the Thailand Environment Institute (TEI) share results of this project with neighbors, such as Cambodia and Laos that face similar issues.

25. Burkina Faso: SPWA-CC Promotion of Jatropha Curcas as a resource of Bioenergy in Burkina-Faso – GEF Climate Change Focal Area (UNDP)

- The United States believes that this is a good project idea and we agree with the STAP review.
- We are concerned that the proposal is not based on the results of a detailed country-specific study that would help address the uncertainties associated with jatropha cultivation (e.g., productivity on poor lands, viability of large-scale projects) before deciding on a national policy. Therefore, we would like the project proposal amended to include a reversal of task 1 and 2 in the proposed project framework, which would move develop national policy (currently task 1) to after completing a comprehensive study. We strongly recommend restructuring the proposal as follows:
 - The project should begin with a focus on evaluating the feasibility of jatropha production in Burkina-Faso.
 - The comprehensive study should include the detailed suitability analysis, crop performance evaluation, techno-economic analysis, life-cycle assessment, job development opportunities, etc. tailored to the country's specific conditions and priorities.
 - If jatropha is a promising option, then work on developing a legal framework and national policy.
- We suggest that the project add the following activities:
 - Examine the temporal trends in land availability: even if marginal lands are targeted for jatropha production, some of them may improve with time due to climate change dynamics, therefore competing with the food/feed production
 - Examine the implication of extensive jatropha cultivation on the livelihood of indigenous people. Often, lands that appear to be "marginal" are vital to the survival of these communities

- Evaluate jatropa production experiences around the world, particularly in India (a leader in jatropa research), but also in other African countries with similar conditions to Burkina-Faso.
- Develop partnerships or other forms of collaboration with relevant institutions/agencies (particularly from India, but also from other African countries) to share knowledge and experiences.

26. Burundi: SPWA-CC Energy Efficiency Project – GEF Climate Change Focal Area (WB)

- The United States agrees with the STAP review’s concerns about how and to whom the technology would be distributed.
- We question the word “West” when this project is listed as being in “GEF’s West Africa Energy Program.” Burundi is in East Africa.
- We also fully agree with the STAP review concerns that it is probably unsustainable to distribute energy efficient bulbs for free. We suggest the following:
 - Charge a small fee when distributing CFLs or else recipients are likely not to value them and throw them away
 - Funding (\$1.67 m) might be more effectively utilized by targeting a central laboratory or facility with sustainable training in building codes and standards that creates a value-chain of linkages. Private sector investment will allow movement into a market that can differentiate quality products. Providing \$500 K for consumer education as suggested would be better leveraged by training and developing a technical class of workers (possibly within a government agency) who can educate the consumer in the deployment process.
 - Promoting Energy Efficient (EE) investments by large consumers (\$800 K) through advisory services might be better served through tax incentives and rebates to companies who deploy EE technologies.
- We are concerned that this project is heavily weighted towards training “capacity building” and public awareness campaigns. In the full proposal, we would like to see specific metrics for assessing how attitudes have changed after these efforts.

28. Chile: Encouraging the Setting Up and Consolidation of an Energy Service Market in Chile – GEF Climate Change Focal Area (IADB)

- The United States suggests that PPEE and CORFO research the prior successes and failures made by many other countries (particularly in Eastern Europe) that have tried to also develop this market. There are also valuable tools that could assist the implementers to avoid repeating mistakes and reproducing the groundwork of others.
 - Consult the book, “ESCOS Around the World” by Shirley Hansen 2009
 - Look into valuable tools, such as the International Energy Efficiency Financing Protocol from the Efficiency Valuation Organization (EVO).

29. China: China Energy Efficiency Promotion in Industry – GEF Climate Change Focal Area (WB)

- The United States believes this project is likely to have an excellent cost-benefit ratio. This type of activity, which addresses energy savings and best practices, often offers the best potential to reduce greenhouse gases per dollar invested of any project. The project appears to provide a good option for instituting this kind of energy and carbon savings program. We would like to see the full proposal clarify the following:
 - Clarify purpose of policy support. The proposal talks about implementing energy conservation laws, regulations and standards. The proposal also identifies that progress on energy intensity has not been sufficient to meet targets. It is not clear if the desire is to show how existing laws could be changed or whether the problem is in how laws might be better implemented. Often energy management in competitive companies goes far beyond existing laws, so that focusing on implementing laws may not get maximum benefits for reducing energy and carbon use.
 - Clarify capacity building. It appears that the ultimate “trainees” are plant level energy managers. There needs to be qualified “trainers” to be able to be effective in providing useful information to energy managers. This is not always easy as it could involve a variety of steam, process heating, pumps, fans, motor systems, etc., as well as process specific unit operations depending on the industry. There may also be specialized “experts” who may need to work with energy managers to conduct plant audits and engineering best practices and designs to implement identified savings options. In many countries, the critical shortage is in the number of specialized energy experts and trainers. Component 2c builds capacity of training institutions but it appears to be developing energy manager programs, and does not talk about training the trainers. Thus, the capacity which also needs to be clearly addressed is the trainers and the “experts” as well as energy managers in the plants.
 - Time phasing of project. Component 3 involves selecting industries, setting up energy management programs and identifying and implementing projects. Presumably this would need the energy experts and energy managers which would be the result of capacity building. It might be possible to do this kind of task in parallel to capacity building, but it should be clarified how these 2 components might fit together.
 - Replication of results from demonstrations. The information dissemination work talks about case studies and providing results of projects. However, to really replicate projects additional initiatives may be needed.
 - Project Preparation Grant. The project preparation grant seems to have a lot of work done on identifying laws and policies. Assessing “capacity” and how it can be built is not described very well. This is really the core of the proposed project and could have a more detailed description. The information dissemination component also could be addressed in more detail in the project preparation stage.

31. China: Technology Need Assessment on Climate Change – GEF Climate Change Focal Area (WB)

- The United States suggests that this project would be improved if it was part of the overall second phase of TNA support that UNEP is leading with UNDP. UNEP and UNDP have developed a rigorous, action oriented, and sustainable approach that could be applied to this effort with China.
- We suggest that the project use a rigorous analytic process for evaluating the potential development benefits and market potential for alternative mitigation and adaptation technologies that will build on and complement existing Chinese government and donor programs in China and opportunities to enhance private sector investment.
- We encourage the GEF to pursue priority technologies and identification of barriers to development and implementation of comprehensive technology action plans for each technology (as with the revised UNEP and UNDP methodology) to address policy, market, and capacity barriers to sustained investment and deployment of the priority technologies.
- We would like to see the full proposal describe how key implementing agencies in China (e.g. NDRC) will be engaged to lead development of programs for each sector that build on and will reinforce current government supported technology development and deployment programs.
- The project should describe how it will engage the private sector in all phases of the work to ensure that the project will catalyze sustained private sector investment.
- The project should endeavor to engage all major multilateral and bilateral climate programs active in China in the consultation process to tap into these activities to support design of new technology initiatives and build on these existing activities in enhanced technology development and diffusion and transfer efforts.
- The proposed framework for ongoing technology needs assessment would be strengthened if it included development of clear performance metrics, an annual review process, a mechanism to engage all major donors and help coordinate work across donors, and describe how key government agencies and the private sector will be engaged in ongoing review. This framework could be of great value as the coordinating mechanism across donors, government agencies, and the private sector in advancing climate tech development, diffusion, and transfer in China.

32. Colombia: Catalytic Investments for Geothermal Power – GEF Climate Change Focal Area (IADB)

- The United States believes that this is a promising project that seeks to address the main challenges to developing the first geothermal power project in Colombia.
- Geothermal power production is economically feasible and commercial in many countries and this project should help to spur development in Colombia.
- However, we agree with the STAP review's second comment that a preliminary cost effectiveness study during project preparation should be recommended to provide a guide to potential feasibility in later stages.
- A critical stage of the project will be Component III (Exploration Drilling). Without drilling, no geothermal resources will be confirmed.
 - No GEF cost share is requested for this part of the project. How does the project plan to finance exploration drilling, since it is usually financed with equity funding?

34. India: Market Development and Promotion of Solar Concentrators based Process Heat Applications in India – GEF Climate Change Focal Area (UNDP)

- The United States believes that the proposal would have been strengthened by a more thorough implementation plan including a discussion of the strengths and capabilities of the implementers regarding their ability to achieve the goals of the proposal. However, the significant cost share from industry (\$6m) and the financial community (\$6m) indicates that they will be sufficiently involved to ensure success of the project.
- We recommend that coordination with ongoing bilateral efforts, including the Clean Energy Research and Deployment Initiative established between the Government of India and the U.S. Government, would complement the goals of this project.

42. Morocco: Energy Efficiency in the Industrial Sector – GEF Climate Change Focal Area (AfDB)

- The United States is supportive of audit programs that identify energy/carbon savings and then provide a financing/implementation mechanism because they have good chances of success and have excellent potential to reduce greenhouse gases per dollar invested. We believe that this project appears to provide a good option for instituting this kind of energy and carbon savings program.
- However, we suggest changes which would improve the chances of success for the 150 SMEs in this program and could improve replication of results:
 - Broaden the work with SMEs by taking an energy management approach. While an audit is a key component in energy management, creating a framework of management responsibility and decision making, identifying energy policies and plans, involving plant people in the process, baselining energy use, measuring results, etc., can improve the chances for implementation and also create an environment which fosters continuous improvement. The cost of individual audits is quite high. So a more robust set of activities and training on energy management is certainly feasible within the current scope.

- Explicitly add baselining and training to the audit process. Without a clear idea of the baseline energy use, it is hard to measure results. Training of plant personnel is critical both in implementing audit results as well as maintaining efficient operation over time.
- Clarify capacity building. In many countries the shortage in trained personnel is the people who conduct the audits and trainers of plant people on energy saving and energy management techniques. In this project, it is not clear where the auditors would come from. Building this capacity in-country is critical. While the 150 SME trainees are useful to their own facility, there is no leveraging of other users in the industrial sector. Thus, the capacity building which needs to be clearly addressed is the trainers and the “experts” as well as energy managers in the plants.
- Communication and dissemination of results. There does not seem to be much effort on documenting results, developing case studies, and disseminating information to a wider audience. While reducing energy use in 150 SMEs is good, replicating results over a wider population of plants could substantially increase the value of the investment to Morocco.

44. Pakistan: Promoting Sustainable Energy Production and Use from Biomass in Pakistan – GEF Climate Change Focal Area (UNIDO)

- The United States agrees with the STAP review that there are technical weaknesses in the proposal.
 - The gasification technology to be used is not well defined. Therefore, we suggest the full proposal provides more details on this technology.
 - We would like to see sustainability addressed more fully with respect to the technology and feedstock used and in terms of the conversion technology emissions (gas, liquid, solids) on a lifecycle basis.
- We believe the project has merit and that it could address multiple objectives simultaneously. There are opportunities for the following:
 - Integrate the biomass heat/power pilot project selection sites in which small and medium enterprises exist with the current ongoing economic activities, characterize their heat and power loads, as well as other loads in schools, community activities, living areas, their social acceptance of these activities (and ability to build on them for future economic development), infrastructure, and environmental characteristics for all phases of the proposed activity. Project site selection based on information collection and analyses is very important.
 - For residues -- feedstock collection, transport and storage, water availability and use; gasification (in terms of water use, air emissions, tars, solid and liquid effluents and their disposal), closely coupled use of the heat load (most efficient conversion), electricity generation and distribution. Improvements in the regular agriculture would increase food and residue production.
 - For short rotation woody crop – sustainability of the added feedstock to the area as well as the topics above. It will take time to establish these feedstocks, but they will be good for expanding the heat/power generation later. It is important to transfer the feedstock to the conversion and use facilities. Geographic mapping

(of these various sites/region in overlapping layers) may help define current and future activities. Potential for multiple uses of these crops (fiber, solid wood, coupled with energy) could also help selection.

- There is potential for developing capacity building for absorption and training on new technologies or training the future users as the pilots expand.
- Tailor technology selection to the needs (current) and possibilities of expansion of economic activities.
- Develop an in-depth knowledge of the potential of multiple economic activities to improve sustainable development of the region.
- Site selection should be guided by the following: The project may need to evaluate a broader number of sites to reach the three that would benefit immediately (and have the best capability to embrace, use, and further develop) these biomass systems and technologies and be able to build on the planning for future development.
- We recommend that the project use consultants that are experts in integrated systems planning including, biomass systems.
- We recommend that the proposal consider the significant experience in India (about 35 MW installed in heat and power for drying applications, such as brick making prior to firing, textiles, and others) as well as some in the Philippines, Indonesia, Sri-Lanka, and Thailand.

47. Sudan: Integrated Carbon Sequestration Project in Sudan – GEF Climate Change Focal Area (IFAD)

- The United States believes that the project's goal, to develop market linkages to increase services is positive.
- We also believe that the pilot project, to determine feasibility (small scale digesters), is positive.

48. Tanzania: Mini-Grids Based on Small Hydropower Sources to Augment Rural Electrification – GEF Climate Change Focal Area (UNIDO)

- The United States supports addressing a need by deploying appropriate technology for regional resources.
- We strongly support partnering with educational institutions, such as Dar es Salam University, to increase technical expertise and enhance human capacity and entrepreneurs, as advocated in project component #2. As technical expertise increases, maintenance of micro facilities will be more affordable, which will encourage financial investment.

53. Morocco: MED Integrated Coastal Zone Management-Mediterranean Coast – GEF International Waters Focal Area (WB)

- The United States supports efforts that address environmental threats in the Nador and eastern Moroccan Mediterranean coastal area and that address economic needs to preserve fisheries and preserve environmental quality and biodiversity.
- We recommend that the project consider developing an action plan in coordination with government officials, public institutions, civil society, and professional associations.
- We recommend that the GEF consider consultations with the MCC and other donors that are work with artisanal fisheries on coastal areas to complement efforts and resources.
- We are concerned that the overall budget to fund all the proposed components of this project is underestimated.
- We recommend that the project provide support towards increasing legal and technical expertise in coastal management for public institutions with jurisdiction over coastal zones, for the private sector, and for local communities.

56. Regional (Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Niue, Papua New Guinea, Palau, Tonga, Tuvalu, Vanuatu, Samoa): PAS Pacific POPs Release Reduction Through Improved Management of Solid and Hazardous Wastes – GEF POPs Focal Area (UNEP/FAO)

- The United States supports waste management projects undertaken in the Pacific Islands.
- We note that all of the regional Pacific Island economies depend to some degree on fishing, in addition to forestry and tourism. Each of these three sources of revenue is threatened by air and water pollution created by waste.
- We agree with the recommendations in the STAP review regarding reducing municipal solid wastes at the source and in developing a regional strategy for municipal solid waste disposal based on a cost-benefit analysis of alternatives. Solid waste disposal is especially important in light of STAP comment on poorly designed landfills and because the smaller island states have little or no landfill possibilities.