

Review of the Council Work Program of GEF/C33

Table of Contents

Biological Diversity	1
N°04: Project ID 3590; Colombia: Mainstreaming Biodiversity in the Coffee Sector in Colombia, (UNDP); GEF cost: 2 million USD; total project cost: 7.7 million USD	1
Climate Change	3
N°12: Project ID: 3552; India: Chiller Energy Efficiency Project; (WB); GEF: 6.3 million USD; total project cost: 100 million USD	3
International Waters	4
N°21: Project ID: 3639; Global: LEARN: Portfolio Learning in International Waters with a focus on Oceans, Coasts, and Islands and Regional Asian / Pacific and Coral Triangle Learning Processes; (UNDP/ADB); GEF: 2.7 Million USD; total: 6 Million USD	4
N°22: Project ID: 3522; Regional: Arafura and Timor Seas Ecosystem Action Programme (ATSEA); (UNDP); GEF: 2.5 Million USD; total: 8.4 Million USD	5
N°23: Project ID: 3524; Regional: CTI Sulu-Celebes Sea Sustainable Fisheries Management Project SCS; (UNDP); GEF: 2.89 Million USD; total: 6.8 Million USD	6
Multi-Focal Area	7
N°43: Project ID 3574; Colombia: Mainstreaming Biodiversity in Sustainable Cattle Ranching, (WB); GEF cost: 7million USD; total project cost: 40 million USD	7
Programmatic Approach: Climate Change	10
Programmatic Approach: Project ID 3538; Programmatic Framework for Energy Efficiency in India; (WB, UNDP, UNIDO); GEF: USD 39.06 million; total: USD 232.8 million	10
Programmatic Approach: Multi-Focal Area	12
Programmatic Approach*: Project ID 3647; The Coral Triangle Initiative; (ADB-lead; WB, UNDP, FAO); GEF cost: USD 72.5 million; total: USD 471.4 million	12

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Biological Diversity

N°04: Project ID 3590; Colombia: Mainstreaming Biodiversity in the Coffee Sector in Colombia, (UNDP); GEF cost: 2 million USD; total project cost: 7.7 million USD

General Commentaries

The current PIF is presented under the Strategic Objective 2 “*to mainstream biodiversity in production landscapes/seascapes and sectors*” of the Focal Area Biodiversity and specifically it will contribute to the Strategic Program 5 of the GEF strategy (fostering markets for biodiversity goods and services). The project objective is “to preserve and enhance the biodiversity of global importance found in shade-coffee farms and their surrounding landscape”. This would be reached by three components: a) *catalyzing payments for ecosystem services (PES) to attract and keep farmers committed to growing shade coffee*, b) *certifying coffee and other agro-forestry products grown in shade-coffee farms*, and c) *promoting landscape-based planning measures that underscore the importance of conservation corridors between coffee farms and the natural forest*. The proposal’s approach was built on the lessons of the Colombian component of the regional UNDP-GEF Project “*Biodiversity conservation in coffee sector by increasing demand for certified sustainable coffee*”. It is important to remark that this regional project (Colombia is one of six countries) just started one year ago its 7-year implementation.

We recognise that the PIF presents with its 3 components an interesting integral approach. Its institutional arrangements foresee the participation of the Colombian institutions with the top competence in the related fields, particularly: the Colombian Coffee Federation (FNC) as top partner for the coffee sector, the Von Humboldt Institute as research partner for biodiversity conservation, as well as the Regional Autonomous Corporations and the authorities of the municipalities. The participation of these key institutions is a promising basis for a successful implementation.

Although in general terms the PIF is presented in a consistent manner, we have identified some concerns and questions which are explained below.

Concerns

► Which of the different partners will assume the role of the leading executing agency?

Despite the effort of the proponents to explain the technical roles of the different partners, it is not clear which of these will be the leading executing agency. Please note that the PIF indicates UNDP as “GEF Agency” and the Colombian Coffee Federation (FNC), The Von Humboldt Institute, Regional Autonomous Corporations, Rainforest Alliance and Fundación Natura as “other executing partners”.

We underline the importance of having only one leading executing agency responsible for the overall development of the project and for the coordination of the further involved partners, and last but not least as the national counterpart of UNDP as the “implementing agency” and finally, towards the GEF, responsible for fulfilment of the objectives.

Therefore we hope that this question of the lead will be clearly defined below the institutional arrangements of the final document.

► **Doubts about the validity to apply in this project the experience of coffee certification taken from the regional GEF project which started implementation only one year ago.**

The international NGO Rainforest Alliance (RA) and its Colombian partner the “Fundación Natura” are in Colombia the executing agencies of the regional UNDP-GEF project denominated “*Biodiversity Conservation in coffee sector by increasing demand for certified sustainable coffee*”, financed to certify in the context of the regional project shade coffee in a department of Santander.

In the current PIF of the Colombian country project, these same institutions figure again as partners to certify 27,000 ha in the selected project areas (of the departments of Quindío, Nariño and Valle del Cauca).

Considering that the regional initiative has just finished its first year of implementation (of the 7 years programmed), we believe that the replication and transfer to other areas of its newly developed coffee certification scheme is still premature. A replication of that experience should be considered only after its validation and an independent evaluation. Thus, these conditions are not fulfilled.

Furthermore, we would stress once more one of our concerns mentioned in the Swiss commentaries in 2005 to the regional project: “*through this project implementation, the Rainforest Alliance Certification (RAC) system can take an important reinforcement in the world of the coffee certification systems, which maybe is not consistent with the rules of free-market competition*”. And now, with the new country project, new GEF funds are assigned again to the same RAC system, and benefiting in the case of Colombia the very same entities.

Last but not least, due to the existing synergies between the ongoing regional and the new country project, it is very important to clarify and well specify the activities that will be financed by GEF below component 2 of the current proposal. This refers to the certification of 27,000 ha of shade coffee that will be made by the Rainforest Alliance and Fundación Natura. Some products expected by the newly proposed project could have synergies with the products obtained of the certification applied by the regional GEF Project; therefore it is necessary to avoid duplication of efforts, and possibly of GEF financing. Switzerland will pay attention to these aspects in the final document of the new project. Likewise, we recommend to the project proponents to explain in a comprehensive mode and supported by quantitative data, the assertion made in the current PIF, which says that based on the experience of the regional project, the Rainforest Alliance certification contributes to the economic viability of shade coffee farms.

Conclusions and Recommendations

Overall we support the objective of the current proposal and recommend to the GEF the approval of the current PIF. Nevertheless we underline our concern regarding a too early transfer of the experience of a regional GEF project which started implementation only one year ago, and of benefiting the same entities responsible for the promotion of a new certification system at the limit of the consistency with the rules of free-market competition. Switzerland will look forward to the final project document, eager to see how the critical points have been resolved.

Further commentaries

We agree that the implementation of PES models in the current PIF proposal is based on the experience of the Humboldt Institute, provided by another GEF project implemented and concluded in the Andean Region. Nevertheless, we hope that detailed information is given in the final document about this PES model and its replicability in the selected area of the current PIF project.

Climate Change

N°12: Project ID: 3552; India: Chiller Energy Efficiency Project; (WB); GEF: 6.3 million USD; total project cost: 100 million USD

Overall Commentaries

We acknowledge that the project fits well into the Programmatic Framework EE in India and is addressing a relevant market for “green buildings” combining innovative and interesting approaches. The project concept outline as presented however seems to be vulnerable to the effect of delays incurred in project preparation and approval as well as in implementation during a short time window up to 2010/2012 respectively. There are three main concerns addressed here:

Questions, Concerns and Challenges for the further Project Preparation

First: The phase-out of CFC production and import in India is bound to take place latest by 1.1.2010, and CFC production possibly ceases before this date. Induced price increase of CFC11 and reduced availability of CFCs is due, which may lead to increased rate of retrofit or natural replacement of chillers now, i.e. within 2008 and 2009, hence before the project is operational on the ground. The need to activate at least the Montreal Protocol component at the earliest possible date is to be considered by stakeholders in the approval process as well as by the Bank and the Government of India in its project approach.

Second: the value of post 2012 CER revenues is uncertain, which contains a barrier to fast track implementation, as investors and financial agencies involved will rate the significant effort to comply with CDM procedures against the level of future revenues. The CDM component in promoting energy efficient chiller designs past the 31.12. 2009 Montreal Protocol deadline may invite further delays in deal closure. The project could even create an additional barrier to market transformation due to the complexity of issues involved which may lead to a situation where investors are tempted to withhold action or revert to lower cost/quick fix retrofit options rather than chiller replacement. These concerns need to be addressed more explicitly in the final project document.

Third: The 2007 COP/MOP policy decision on accelerated phase out of HCFC may have implications on technology choices. As STAP suggests, addressing technology options more explicitly is strongly recommended for the final project document. The relevance being that project activities may deal with replacement of old HCFC chillers or installing technology which does have a potential to replace HCFC chillers in future. The project should take proper care that in view of HCFC phase-out non-HCFC technologies are preferred if available in the market with comparable energy efficiency.

The project foresees fast action on 160 chillers using the MFL and GEF grants and proposes to address the remaining 280 chillers through CDM revenues. We see a substantial risk that due to the strong signal from CFC phase-out schedule in India the market for CFC chiller replacement may be significantly reduced after 2010. This exposes this project to a significant risk in case of any implementation delays. The chiller population data on which the approach is based stems from 1991 and may be outdated. This risk factor should be discussed by the final project document as it could have a significant impact on the leverage factor for the GEF / MLF funds.

In view of sustainability of the project, proper care should be taken that an integral analysis of the building energy efficiency is made before replacing the chillers with the same capacity as was installed earlier. This is to avoid excess part-load conditions of the chiller and create a barrier for later energy efficiency improvements at the building level as it is targeted by the Indian Bureau of Energy Efficiency under the GEF funded Programmatic Framework Project for Energy Efficiency in India.

Conclusions and Recommendations

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

International Waters

N°21: Project ID: 3639; Global: LEARN: Portfolio Learning in International Waters with a focus on Oceans, Coasts, and Islands and Regional Asian / Pacific and Coral Triangle Learning Processes; (UNDP/ADB); GEF: 2.7 Million USD; total: 6 Million USD

Overall Commentaries

The project addresses global issues on “LEARNING Processes” regarding international waters with a focus on oceans, coasts, islands and regional Asia/Pacific and Coral Triangle (CT) areas. The umbrella project is Asia Coral Triangle (CTI). The main idea is to channel ideas and experiences into the umbrella project. The concept is commendable and deserves attention

Questions, Concerns and Challenges for the further Project Preparation

Question: The global issues addressed abound with problems which nevertheless vary considerable in different systems and regions. The question arises on how those responsible for the project preparation practically intend to pinpoint those issues which are relevant for CTI countries in particular, and to streamline their activities accordingly. Some kind of matrix presentation should help to improve efficacy Conclusions and Recommendations

Conclusions and Recommendations

The reviewer is convinced that this present GEF Program must be launched and given utmost priority. There are intrinsic global, regional and communal issues at stake

For best results to be achieved, the reviewer argues that key representatives of CTI Secretariat, Technical Working Groups and other relevant representatives should be actively involved at this early project stage, and throughout as the project evolves.

N°22: Project ID: 3522; Regional*: Arafura and Timor Seas Ecosystem Action Programme (ATSEA); (UNDP); GEF: 2.5 Million USD; total: 8.4 Million USD

* (Indonesia, East Timor, Papua, New Guinea)

Overall Commentaries

- ATSEFA is an integral part of GEF CTI Program and as such must at all times be closely monitored and evaluated periodically by the latter.
- As in related problem areas, illegal, unregulated and unreported fishing (IUU) poses a major threat to the region in question.
- The best measure of success should probably be the degree to which at least improved sustainability of the relevant coastal communities can be achieved in the shortest possible time.

Questions, Concerns and Challenges for the further Project Preparation

- Concern 1: The fear that PNG will not in due course be involved in dialogue on the threats facing the ATS with the long-term goal of having them join the ATSEF (Part II. B. Page 5 top).
- Concern 2: Alternative livelihood projects may be conveyed to an insufficient number of needy coastal communities.
- Concern 3: Insufficient funds may be available for stepping up research concerned with both impact of climate change related to global warming in the sea and on chemical oceanography (Part II. E. Page 5 bottom).
- Challenge: *....."Yet a task of this magnitude requires a major injection of technical assistance and investment to reach long-term regional goals".... (Part II. E. Page 5 bottom).*

The sufficient injection of assistance to reach this long-term regional goal may not be forthcoming, though to avert this from happening is a major challenge which faces all such projects in general, the present one in particular, and which thus has from experience only a marginal chance of being avoided

Conclusions and Recommendation

- The reviewer proposes that the Program be instigated and financed as proposed. He strongly recommends, however, that the comparative role of the "13 multi-country marine/coastal, river and Lake Basin management agencies or 6 Commissions including....." (Part II. H. Page 6 bottom / Page 7 top) shall be outlined more stringently a.s.a.p.

N°23: Project ID: 3524; Regional*: CTI Sulu-Celebes Sea Sustainable Fisheries Management Project SCS; (UNDP); GEF: 2.89 Million USD; total: 6.8 Million USD

* (Indonesia, Malaysia, Philippines)

Overall Commentaries

- Indonesia, Malaysia and the Philippines are rather large countries with GNPs of an order of magnitude in comparison to which the total project cost seems negligible
- The project – which in the eyes of the reviewer undoubtedly has its potential merits – should thus rather be termed as a “mini-pilot project”. On this basis it may be justified: It must lend itself to multiple duplication

Questions, Concerns and Challenges for the further Project Preparation

- Concern 1: It is not evident from the project document, by what project stage TDA as well as SAP shall be completed. This should in the eyes of the reviewer be stated already at this early PIF-state
- Concern 2: Strengthened national fisheries laws and policies are envisaged to attain sustainable fisheries management practices. The funds available seem to be inordinately small to reach this goal
- Concern 3: *...“The number of people affected are given as 35million, expanding at 2.5% annually. The capture fisheries production alone is placed at over USD 1.0 billion a year. Pressures on the marine environment are listed as:*
 - *Destructive fishing techniques*
 - *Mismanaged aquaculture practices*
 - *Pollution*
 - *Poorly planned and inappropriate land use*

Additional barriers for remedial action are

- *Insufficient understanding of the connectivity of marine biodiversity and its supporting ecological processes*
- *Generally ineffective and under-supported conservation management and enforcement regimes*
- *Limited capacity*
- *Lack of coordination among natural resource managers*
- *Economic incentives that favour short-term resource over exploitation*

All these have resulted in losses that are in the magnitude of (ONLY?) millions of US dollars annually”...

Therefore, summary “Concern 3”: By simple arithmetic, some millions of USD-losses annually are a negligible amount compared to the one billion dollar catch annually. Furthermore, the sheer task of properly outlining the underlying problems (cited above) seems to take on mammoth proportions. An inherent discrepancy between the scale of the problem stated and the small size of funds to be made available is evident

Conclusions and Recommendations

The task undertaken is inappropriately complex compared to the funds requested. The question seriously arises whether there is a mistake in the project document. The reviewer therefore earnestly proposes that either

- a) the expected objectives and outcomes are scaled down considerably, and/or
- b) the funds are increased several fold. The funds available are – in the opinion of the reviewer – grossly insufficient to even formulate proper TDA and SAP, not to speak of the other stated goals and/or actions.

The reviewer therefore earnestly requests a Council Discussion on the project for a proper reconsideration – either way – in order to match the magnitude of the problems stated with the financial and managerial resources for remedial action requested.

Multi-Focal Area

N°43: Project ID 3574; Colombia: Mainstreaming Biodiversity in Sustainable Cattle Ranching, (WB); GEF cost: 7million USD; total project cost: 40 million USD

General Comments

The current project is presented under the Strategic Objectives of the GEF Biodiversity Program seeking to mainstream biodiversity conservation in production landscapes and sectors, and of the GEF Land Degradation Program. The project would foster markets for biodiversity goods and services, and support sustainable agriculture and rangeland management. Its objective is *“to induce increased adoption of biodiversity-friendly sustainable livestock production systems in areas of degraded extensive pastures so as to create a more biodiversity-friendly production landscape and increase farmer income”*. This would be reached by four components: (1) integrated farm management, (2) green markets development, (3) agro-tourism development, and (4) project management.

Some of the project components are supported by the experience and lessons learned from the GEF *silvopastoral regional project* (Colombia, Nicaragua and Costa Rica) started in 2002 and programmed for 5 years.

In principle we agree with the approach of the PIF addressing the replacement of the current cattle ranching practice, which is associated with problems of environmental degradation, by more biodiversity-friendly production systems, such as the Silvopastoral Production Systems (SPS). We appreciate that the Colombian Cattle Ranching Association (FEDEGAN), which is the most important and traditional representative of the cattle rangers, would be the appropriate partner to assure impact at national level.

However, we have identified a serious of concerns which require further attention and are therefore presented below.

Main Concerns

► Which are the environmental problems for water quality and their causes that the project is supposed to tackle?

The basic question of what is the real environmental problem that affects the water quality is not well described in the PIF. Considering the variety and geographical dispersion of the 5 pre-selected project areas, this aspect needs to be clarified. We assume that the current cattle ranching practices are not the only and possibly not the main source of problems concerning water quality. That would be certainly the case of the lower Magdalena Region, the coffee producing ecoregion and upper Cauca River, and the traditional cattle production region of Cundinamarca, Antioquia, Boyacá and Santander.

Unless the environmental problems to be addressed by the project are not further qualified, it is also not possible to assess whether the PES are well designed and viable (see next concern).

► Doubts regarding the approach on PES and the lessons learned to be considered in the current project.

The Payment of Environmental Services (PES) is the most important component of the GEF financing (5.5 of the 7 million USD). Presumably the proposed PES mechanism would be functioning through payments from water users and its design would be based on the experience gained from the still ongoing regional project “Integrated Silvo-Pastoral Approaches to Ecosystem Management”.

First of all we underline that with the information made available it is not possible to understand the proposed PES mechanism and to assess its viability. What is the environmental problem and who causes it? Which activities are envisaged to minimise those problems and to be financed by the PES? How relevant are these for the solution (to provide better water quality for the users)? Who are the beneficiaries of the activities taken which assumingly should be ready for the payment of the environmental services in the long run, and how willing are they to pay for such services? Which arrangements are foreseen to achieve sustainability of the PES? What legal basis exists to enforce the activities and if the PES practice was satisfactory to replicate the experience?

Furthermore, as the PES mechanism of the current proposal would be based on the experience of the above-mentioned regional project, one can expect that the key elements of the approach and of the experience considered were already given at the PIF level. However, the only information available about the regional project PES results in the PIF proposal is that this regional project has demonstrated the positive impact of Silvopastoral Production Systems (SPS) on water quality. Consulting the implementation status of this regional silvopastoral project in the GEF Project Database, we only found the following indication: *“Disbursement rate is in line with what was planned in all components with the exception of component 3 (Environmental Services Fund); Funds will be reallocated.”* Does one have to assume that there are any difficulties with the PES component of that regional project?

► **The geographical area is too dispersed, which substantially affects the chances of a successful implementation and of achieving any significant project impact.**

The project covers 5 geographical areas which are dispersed over several country regions. This implies a rather wide variation of geographical characteristics to consider, of the legal frameworks to adapt to and of institutional authorities to cooperate with, and finally it implies a wide variation of the environmental problems to be tackled and requires a sound adaptation of the PES mechanism to several local conditions.

From our point of view, such a wide geographic focus is simply too ambitious and we doubt whether this proposal satisfies the criteria of cost-effectiveness, whether it can be managed in an efficient way and if it can generate any relevant impact.

In parallel with this concern goes the observation that the PIF provides very little information on the project regions and areas of intervention. Although we recognize that at this early stage of planning only limited background information is made available, we underline the need of detailed information on the project areas, and the additional efforts required in this respect due to the extension and diversity of the areas. From the final project documents we expect inclusively detailed information on the potential service payers, last but not least, because it is essential to assess the viability of the proposal.

► **The strategy on biodiversity conservation is only very vaguely defined.**

Although biodiversity conservation is part of the justification of the GEF funding of the current project, its related strategy is defined only very vaguely. It cannot be assumed that because silvopastoral production systems are more ecofriendly than the current practices foreseen for substitution, they will substantially contribute to biodiversity conservation priorities.

We therefore expect the biodiversity conservation strategy, especially at landscape scale, to be further specified. In the same spirit we underline the need for a further specification of the indicators regarding biodiversity. The only indicator on this issue given so far in the logframe is not sufficiently specific (*“50 globally important plant species conserved and multiplied in cattle ranching farms”*) and still allows for any interpretation. Also the project impact on biodiversity conservation in function of the biological corridors and of the strategic natural ecosystems endangered in the neighbouring of the project areas must be of interest, and must be monitoring and evaluated.

► **There is a lack of information about the certification system foreseen for beef and dairy products.**

The project also aims at the promotion of environmentally friendly certified beef and dairy products. The proponents affirm that the efforts would be based on the Colombian experience with the certification of these kinds of products. However, no information about the certification system itself that would be implemented is mentioned in the PIF. In order to appraise the viability of the proposed work, it is absolutely necessary that detailed information is given.

Analogously, the project component 3 refers to the development of agro-tourism. However, the PIF provides very little information on this topic.

► **The institutional set-up has to be clarified.**

Who will assure the effectiveness of the SPS regarding biodiversity conservation and the expected related impact in the project areas?

Following the PIF, FEDEGAN's assistance centres located in project areas assume the technical assistance to design and implement the conversion plans to SPSs (the component 1: integrated farm management). Considering the challenge of the diversity of the project areas and the limited experience of FEDEGAN in biodiversity conservation, the question must be raised whether FEDEGAN is the optimal partner to assure the development of biodiversity-friendly SPSs. In the same sense we regret that the role of the Colombian Centre for Research in Sustainable Agricultural Production System (CIPAV) is not sufficiently clear. Considering that the latter is possibly the Colombian research institution with the most experience of biodiversity in the context of SPSs, we would welcome it if its role, particularly with respect to the project component 1, were specified more explicitly.

In the same sense, by whom and how will the projects impact in terms of biodiversity conservation be evaluated? It is underlined that following the PIF the project areas have been selected because of their nearness to strategic ecosystems and to protected areas, and by consequence because of their possible role as biological corridors between endangered ecosystems (e.g. fragments of dry tropical forest). However and as previously mentioned below the concern on the biodiversity strategy, the PIF doesn't refer to any strategy to evaluate the impact of the converted landscapes to SPS and biodiversity-friendly land-use practices on the conservation of the biodiversity of the endangered ecosystems. Certainly FEDEGAN has not the experience required for this kind of approach.

Conclusions and Recommendations

Although we support the overall objective, we fear that the current proposal is geographically and thematically too ambitious.

We therefore expect a far-reaching clarification of the approach, particularly a clear geographical concentration of the activities, which will improve considerably its chances to achieve measurable impacts.

Parallel with that overriding condition goes the request for:

- detailed specification of the proposed PES (mechanism, target population, goals, sustainability) and a summary of the experience considered in its design,
- detailed information on the certification system,
- the clarification of the biodiversity conservation strategy.

In synthesis, the current PIF leaves many questions to be clarified. We insist that our comments and concerns be taken into account and responded to in the further development of this project. We would not be able to agree to final GEF approval unless the main concerns we are raising in this comment are clearly resolved.

Programmatic Approach: Climate Change

Programmatic Approach: Project ID 3538; Programmatic Framework for Energy Efficiency in India; (WB, UNDP, UNIDO); GEF: USD 39.06 million; total: USD 232.8 million

Overall Commentaries

The countrywise structuring of project interventions intended for implementation during GEF4 under Programmatic Frameworks and submitting structured plans to the council for review at an early date is welcome. The proposed focus of this Programmatic Framework Project for EE in India, which supports 3 out of 8 components of the national energy conservation and efficiency strategy, is well justified. The building and small-scale industry sector has a vast potential to conserve energy and reduce GHG emissions at low marginal net cost. Many of the proposed measures may in fact be profitable. Multiple barriers presently prevent the mobilization of this potential.

Questions, Concerns and Challenges for the further Project Preparation under this Programmatic Framework

Component 5: Programmatic Knowledge Sharing (WB): The Energy Conservation Building Code (2007) is only enforced on a voluntary basis (compliance to energy audit for commercial buildings above a defined size, no mandatory standard yet to comply with energy consumption thresholds). Besides facilitating programmatic knowledge sharing and learning between supported projects, the knowledge-sharing component will have to play a vital role also in mobilizing a strong interface to policy makers with a view to enforcing standards for energy consumption for lighting/cooling/heating purposes. The related project document should address options for action learning and policy dialogue in an explicit manner.

Component 1: Energy Efficiency Improvements in commercial buildings (UNDP): The objectives and expected outcomes of this project are strongly supported. This is a very relevant project. The key concerns are related to two questions:

First: is a technical assistance-based project approach focused on capacity building/technical training capable to address the barriers prevailing in the market and to contribute effectively to market transformation?

Second: based on the past track record and the focus of its knowledge base, is UNDP the most suitable agency for implementing such a crucially important project (as the objectives clearly state that EE in commercial buildings is targeted by this intervention and not just an intervention in public buildings)? Would not other agencies such as the World Bank or the ADB, with a track record in project financing, seem much better positioned to take on such a project? This comment reflects the opinion of the authors and not necessarily of FOEN/SDC.

Key barriers to EE in commercial buildings in India are:

- A significant share of new commercial buildings is coming up in the 4 biggest cities and in the large cities where land prices are high. Buildings are typically built by investors/contractors who are renting out the office space; hence they do not have to include future energy bills in their balance sheets. Market transformation towards green buildings needs financing options customized to the results of life-cycle cost benefit analysis.
- In such situations, improving energy efficiency calls for innovative financing solutions and service delivery solutions (ESCOs?) as much as for technical training of architects/design professionals on life-cycle cost benefit and return on investment.

There is without any doubt a need for technical training addressing the Energy Conservation Building Code proposed in May 2007. If GEF, however, chooses to intervene basically at the level of technical training (e.g. through UNDP) without bringing the knowledge of financial institutions into

play at the same time, a significant opportunity may be missed. It seems important to implement, at least on a pilot scale, model buildings demonstrating the application of advanced designs in selected cities. This is considered a crucial step for influencing investors as well as for dissemination of advanced designs, hence for market transformation.

Conclusions and Recommendations

The Programmatic Framework Project for EE in India is endorsed with the exception of the proposed project Energy Efficiency Improvements in commercial buildings. This project is recommended for redesign comprising an explicit involvement of financial institutions and hence targeting market transformation as outlined above.

Programmatic Approach: Multi-Focal Area

Programmatic Approach*: Project ID 3647; The Coral Triangle Initiative; (ADB-lead; WB, UNDP, FAO); GEF cost: USD 72.5 million; total: USD 471.4 million

*) Regional (Papua New Guinea, Solomon Islands, Palau, Micronesia, Fiji, Timor Leste, Vanuatu)

Overall Commentaries

- *...“GEF has an opportunity to demonstrate its support for this remarkable commitment to improving management of the planet’s most biodiverse marine ecosystems through approving this program”... (i.e. Coral Triangle Initiative, CTI; Chapter VIII / Page 4).*

The reviewer argues that this statement in itself can be whole-heartedly supported!

- *...“The consultative process to determine specific elements of the program is still underway. A considerable degree of flexibility is therefore required”..... (i.e. Coral Triangle Initiative, CTI; Chapter VIII / Page 4).*

The reviewer supports this view and argues in addition, that “calculated flexibility” is a prerequisite for success.

- *The GEF-Council is requested to approve the overall direction of the GEF CTI program ... as well as the PIFs already defined and presented.... With the understanding that future sub-projects will be presented to Council for its approval.....(i.e. Coral Triangle Initiative, CTI; Chapter VIII / Page 4).*

The conclusions of the reviewer are in fact based on this very basic and important premise!

Questions, Concerns and Challenges for the further Project Preparation

- Question: Is the reviewer correct in assuming that GEF CTI Program will throughout the process and with due respect to all ensuing sub-programs serve as the umbrella and as such take an active role in monitoring all related future actions?
- Concern 1: The role, status and composition of the “Sekretariat” (Appendix 1, IV COORDINATION MECHANISMS, Page 7, is defined only vaguely; it should be defined more precisely at the earliest possible stage of the Program.
- Concern 2: *“Several major oceanic currents (North and South Equatorial Currents) connect these Pacific reefs to the rest of the CT and PROBABLY serve as sources of ... (II. Differentiated Threats to Coral Triangle Resources. Page 2).*

The reviewer would like to emphasize that great care will have to be exercised and considerable energy invested in ascertaining whether this “PROBABLY” can be supported with corroborating evidence.

- Concern 3: There is a commitment to establishing a “Technical Working Group” (TWG) (V. The Proposed GEF CTI Program Framework, Page 3, Paragraph 7)

The reviewer notices that this TWG is still missing in Appendix 1 IV. COORDINATION MECHANISMS and he stipulates that relevant corrective action be taken a.s.a.p.

- Challenge for further Project Reparation:
“Process for monitoring and evaluating progress on CTI Plan of Action” (Appendix 1, VII: MONITORING AND EVALUATION, Page 7

Reviewer comment: In the main text Chapter V. The Proposed GEF CTI Program Framework ..., it is stated at the end of the relevant chapter that... *“acknowledging that the action plan is still evolving”*.... Consequently, one main challenge will be to define an “Action Plan” in the first place, and this as soon as possible. Notwithstanding this, adequate monitoring and evaluation of the ambitious program might prove to be the greatest challenge of all.

Conclusions and Recommendations

The reviewer is convinced that this present GEF Program must be launched and at the same time be given utmost priority. There are intrinsic global, regional and communal issues at stake, which have to be tackled.