



## INITIATION PLAN FOR A GEF PROJECT PREPARATION GRANT (PPG)

Country Egypt

**UNDAF Outcome:** Regional human development disparities are reduced, including reducing the gender gap, and environmental sustainability improved

**Expected Outcome:** Sustainable Management of environment and natural resource incorporated into poverty reduction strategies/key national development frameworks and sector strategies.

**Expected Output:** Proposal on "Improving Energy Efficiency of Lighting and Building Appliances" prepared.

Programme Period: 2009 – 2010  
Programme Component: Environment & Energy  
PPG Title: Improving Energy Efficiency of Lighting and Building Appliances.  
ATLAS Award ID: 00057372  
ATLAS Project ID: 00070852  
PIMS Project ID: 4231  
Duration: One year  
Management Arrangement: National Execution

Total budget: \$ 250,000  
Allocated resources:  
• Government  
• GEF \$ 100,000  
• Other:  
○ Donor \_\_\_\_\_  
○ Donor \_\_\_\_\_  
○ Donor \_\_\_\_\_  
• In kind contributions \$ 150,000

Agreed by: Dr. Mohamed Awad, Chairman,  
Egyptian Electricity Holding Company  
**Signature:**

Date: 14.6.2009

Agreed by: H.E. Amb. Menha Bakhom, Assistant Foreign Minister & Director of International Cooperation  
Ministry of Foreign Affairs

**Signature:**

Date: 22.6.2009

Agreed by: Mr. Mounir Tabet, Country Director  
United Nations Development Programme (UNDP)

**Signature:**

Date: 23 June 2009

## **Brief Description of Initiation Plan**

This project preparatory phase will be implemented through the National Execution modality by the Egyptian Electricity Holding Company. During the implementation of the PPG, the project will be staffed with a part time National Project Manager and a Finance/Admin Support Assistant. The Project Manager will also provide monthly substantive updates that will allow UNDP to ensure useful coordination with other stakeholders. The specific responsibilities of the Project Manager will include but are not limited to drafting work plans, the timely implementation of PPG activities and delivering PPG outputs, ensuring proper management of the PPG financial resources, recruiting and supervising national and international consultants, and organizing necessary consultation meetings. The UNDP Programme Officer will backstop and monitor PPG implementation, provide operational quality assurance, ensure the project activities are in line with the AWP and that the deadlines are met in compliance with UNDP and GEF procedures.

**GEF PPG approved grant document and TBWP**



**REQUEST FOR PROJECT PREPARATION GRANT (PPG)**

PROJECT TYPE: Full-sized Project

THE GEF TRUST FUND

**Submission date:** 10/10/2008

**Resubmission date:** 03/19/2009

GEF PROJECT ID<sup>1</sup>: 3832

GEF AGENCY PROJECT ID: 4231

COUNTRY(IES): Egypt

PROJECT TITLE: Improving The Energy Efficiency Of Lighting And Building Appliances

GEF AGENCY(IES): UNDP

OTHER EXECUTING PARTNER(S): Ministry Of Electricity And Energy (Egyptian Electricity Holding Company)

GEF FOCAL AREA(S): Climate Change

**GEF-4 STRATEGIC PROGRAM(S): SP#1: Promoting Energy Efficiency In Residential And Commercial Buildings**

NAME OF PARENT/PROGRAM/UMBRELLA PROJECT (if applicable): <sup>2</sup>

**A. PROJECT PREPARATION TIMEFRAME**

Start date of PPG	April 09
Completion date of PPG	June 10

**B. PAST PROJECT PREPARATION ACTIVITIES (\$)**

List of Past Project Preparation Activities	Output of the Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
<b>Total Project Preparation Financing</b>				

**C. PROPOSED PROJECT PREPARATION ACTIVITIES (\$)**

<p>Describe the PPG activities and justifications:</p> <p><b>1. An updated market study</b></p> <p><u>For CFL component:</u></p> <ul style="list-style-type: none"> <li>an updated assessment of the market potential within the main targeted sectors;</li> </ul>
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<sup>1</sup> Project ID number will be assigned by GEFSEC. If PIF has already been submitted, please use the same ID number as PIF.

<sup>2</sup> While not directly under any umbrella project, the EE lighting component will be closely co-ordinated and can be considered as a part of the UNDP-UNEP-GEF Global Market Transformation for Efficient Lighting project

- an updated analysis of the key barriers to phasing out inefficient lighting;
- an updated assessment of the local production capacities and supply characteristics. This will include collection of updated information on the current production capacities in Egypt and the characteristics of the products that are currently being produced. Similar data will be collected about main importers and assemblers of equipment. Further, an assessment will be made of the capacities of production facilities to manufacture more and better quality equipment. This will primarily take place via an analysis of production statistics and enquiries with manufacturers and other supply chain parties.
- EE lighting equipment sales and availability. Updated baseline data about the sales of lighting equipment (volume, types and characteristics of products, prices, availability) in various retail and distribution channels will be collected to build an accurate overview of the current market. This will be done by means of an analysis of sales statistics and enquiries with major suppliers, wholesale distributors and retailers of lighting equipment;
- Identification and evaluation of the feasibility of the possible distribution and financing mechanisms for accelerating the market transformation

#### For Standards and Labels of other Appliances

- an updated assessment of the level of implementation and enforcement of the standards and labels already developed and the barriers faced (including an assessment of and suggestions for the further development of the legal a regulatory framework together with an assessment and elaboration of the further capacity building and training needs);
- by building on the review of the international “best practices” and a list of typical appliances selected for standards and labeling schemes in other countries after the most evident choices such as refrigerators/freezers, washing machines, AC-devices etc., review of the degree of saturation, energy consumption intensity, growth rates and potential savings and GHG reduction of possible new appliances for the S&L expansion plan
- compilation of the required initial market information for the new appliances to be targeted, such as:
  - type and categories of appliances produced domestically;
  - key producers, their capacities and awareness, interest in and constraints to improve EE of their products;
  - characteristics of imported appliances and their share in over-all market;
  - distribution network and chains and their marketing strategies;
  - major consumer groups, their awareness, interest in, ability and constraints to purchase EE products;
  - tracking product flows to show how standards and labels are likely to affect the production and flow of goods;
  - collect energy use data to show equipment energy consumption and ownership trends to allow initial estimates of the saving potential of various appliances proposed for an expanded S&L scheme
- review of the existing testing facilities and elaboration of their further development needs with the associated assessment of the financing needs and possible financing arrangements.

#### **2. Stakeholder consultations and engagement**

- stakeholder analysis (national and provincial government agencies, industrial and private sector, civil society and academic institutions), their interests, capacities, current and potential roles in project activities;

- stakeholder involvement strategy and plan, including the plan for the engagement and capacity building of the local manufacturers and other key supply side entities.

The public authorities related to this project will be consulted do discuss their views on the detailed objectives and arrangements of the project, to assess whether their involvement in its execution can be enlarged, to secure their commitment to critical outputs and to agree on the activities these government units will undertake as a part of the project, including cofinancing of the proposed activities These discussions are envisaged to consist primarily about bilateral consultations.

The consultations with public authorities will be complemented by consultations with the market parties and NGOs. These will include manufacturers and other suppliers, distributors and retailers of the targeted appliances so as get their views on the proposed project strategy and project activities as well as on the envisaged co-operation opportunities, including cofinancing. The primary mechanism for this is envisaged to be bilateral meetings, but small workshops can also be considered, if more appropriate and efficient

### 3. Finalizing the project design and presentation

Finalized project document and CEO endorsement request of the project in accordance with the adopted UNDP and GEF formats, including:

- an updated situation and baseline analysis;
- completed stakeholder analysis and stakeholder involvement plan
- finalized project intervention and financing strategy and logframe for each project component with measurable indicators together with their baseline and target values;
- an incremental cost analysis, including the description and more detailed calculation of project's direct and indirect national and global environmental benefits in accordance with the methodology adopted by the GEF;
- finalized project budget and work plan both in the ATLAS format and as a total budget with confirmed cofinancing;
- completed risk assessment and risk mitigation strategy, including an assessment of the social, economic and financial sustainability of proposed project activities;
- completed project management and implementation plan, including coordination with other relevant projects such as the UNIDO Industrial EE projects and the projects financed, among others, by the EU and GTZ;
- completed project monitoring and evaluation plan
- completed, draft Terms of References for the key positions;

List of Proposed Project Preparation Activities	Output of the PPG Activities	Project Preparation Amount (a)	Co-financing (b)	Total c = a + b
CFL market study	Study	20,000	60,000	80,000
S&L market study	Study	30,000	60,000	90,000
Stakeholder consultations and engagement	Final project design	10,000	10,000	20,000
Finalisation of the project design and presentation	Final project design	40,000	20,000	60,000

<b>Total Project Preparation Financing</b>	100,000	150,000	250,000
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D. FINANCING PLAN SUMMARY FOR PROJECT PREPARATION GRANT: (\$)

	<b>Project Preparation</b>	<b>Agency Fee</b>
GEF financing	100,000	10,000
Co-financing	150,000	
<b>Total</b>	<b>250,000</b>	<b>10,000</b>

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

GEF Agency	Focal Area	Country Name/ Global	(in \$)		
			PPG (a)	Agency Fee (b)	Total c = a + b
UNDP	Climate Change	Egypt	100,000	10,000	110,000
<b>Total PPG Requested</b>			<b>100,000</b>	<b>10,000</b>	<b>110,000</b>

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

F. PPG BUDGET REQUEST

Cost Items	Total Estimated Person Weeks for GEF Grant (PW)	GEF (\$)	Co-financing (\$)	Total (\$)
Local consultants *	358 (GEF 98)	49,000	130,000	179,000
International consultants*	16	48,000		48,000
Travel		3,000	5,000	8,000
Miscellaneous			15,000	15,000
<b>Total PPG Budget</b>		<b>100,000</b>	<b>150,000</b>	<b>250,000</b>

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

G. GEF AGENCY(IES) CERTIFICATION

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

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
John Hough, Deputy Executive Coordinator, Undp/Gef			Vesa Rutanen	+358 50 3209287	vesa.rutanen@undp.org

**Annex A**

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

<b>Position / Titles</b>	<b>\$/ Person Week<sup>1</sup></b>	<b>Estimated PWs<sup>2</sup></b>	<b>Tasks to be performed</b>
<b>Local</b>			
Senior Ee Lighting Expert	500	40	Updated market analysis and needs assessment for the EE lighting component, stakeholder engagement and project strategy formulation in cooperation with the other consultants
Senior S&L Expert	500	40	Updated market analysis and needs assessment for the EE lighting component, stakeholder engagement and project strategy formulation in cooperation with the other consultants
Other Short Term Expert	500	18	Complementary short term assignment to defined in further detail during the PPG implementation
<b>International</b>			
Project Formulation Expert	3000	10	In cooperation with the other project consultants, finalization of the project intervention strategy and required project documentation (project document and the CEO endorsment request)
EE Lighting Expert	3000	3	Completed needs assessment and draft project intervention strategy for the EE lighting component + other required technical expertise support
S&L Expert	3000	3	Completed needs assessment and draft project intervention strategy for the S&L component + other required expertise support

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

<sup>2</sup> Provide person weeks needed to carry out the task and corresponds to the dollar amount per person week in the previous column.

**Annex B: TBWP**

**Total Budget and Work Plan - this must be annexed to all PPG, MSP, FSP and EA proposals**

<b>Award ID:</b>	00057372
<b>Award Title:</b>	Egypt Improving Energy Efficiency of Lighting and Building Appliances
<b>Business Unit:</b>	EGY10
<b>Project Title:</b>	Egypt Improving Energy Efficiency of Lighting and Building Appliances
<b>Project ID: PIMS no.:</b>	00070852: 4231
<b>Implementing Partner (Executing Agency)</b>	Egyptian Electricity Holding Company

GEF Outcome/Atlas Activity	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Total (USD)	See Budget Note:
<b>OUTCOME 1:</b> Proposal Preparation	<b>Egyptian Electricity Holding Company</b>	<b>62000</b>	<b>GEF</b>	71200	International Consultants	\$ 48,000	\$48,000	x
				71300	Local Consultants	\$ 49,000	\$ 49,000	x
				71600	Travel	\$ 3,000	\$ 3,000	
					<b>Total GEF</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	

**Summary of Funds:**<sup>3</sup>

<b>GEF</b>		\$ 100,000	\$ 100,000	
<b>TOTAL</b>		<b>\$ 100,000</b>	<b>\$100, 000</b>	

<sup>3</sup> Summary table should include all financing of all kinds: GEF financing, cofinancing, cash, in-kind, etc. etc