



Empowered lives.
Resilient nations.

12 February 2020

Dear Mrs. Ali-Ahmad,

Subject: Initiation Plan/PPG Iraq: Full Project Title: Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Baghdad City – PIMS No. 6487- ATLAS BU: IRO10 - Proposal No.: 00125384 - Project No.: 00119766

I am pleased to delegate to you as the UNDP Resident Representative the authority to sign the Initiation Plan/GEF PPG for the above-mentioned Project Preparation Grant (PPG) on behalf of UNDP, and to commence development of the main project. The PPG, which amounts to a total of USD 150,000, has received its final approval in accordance with the established GEF procedures (GEF CEO PPG Approval letter attached for ease of reference).

As agreed, given that the procurement for the international consultant(s) will be managed directly by the UNDP-GEF Unit in BPPS, the PPG budget and ASL will be allocated to the below two Budgetary Departments:

Budgetary Department	Account Code	Fund Code	Department ID	Project ID	Donor Code	\$USD amount
UNDP-GEF Unit	71200	62000	B0100	00119766	10003	\$70,000
Country Office	As per approved budget	62000	B0450	00119766	10003	\$80,000
Total PPG Budget						\$150,000

I would like to bring to your attention the new [GEF Cancellation Policy](#) in effect for all GEF projects approved as of 1 March 2019. This new policy has two cancellation points:

- 1. Submission for CEO endorsement:** GEF Agencies have a maximum of **12 months** to submit a Project Document that is compliant with both GEF and UNDP requirements. Failure to submit a complete package within the 12-month deadline will result in automatic cancellation of the project by the GEF and the grant funds will be returned to the GEF for re-programming. To meet this deadline, the fully complete Project Document and supporting documentation must be submitted to the UNDP-GEF Unit for technical and financial clearance within **10 months** of PIF Approval which is *19-Oct-2020* for this project.

Zena Ali-Ahmad
UNDP Resident Representative
UNDP Baghdad
Iraq

2. **Actual CEO endorsement:** The project must be CEO endorsed within 18 months of PIF Approval or the project will be automatically cancelled by the GEF and the grant funds will be returned to the GEF for re-programming. This means that the documentation submitted to the GEF Secretariat within 12 months of PIF Approval (see above) must be fully complete, with GEF, Council and STAP comments addressed, to be fully ready for CEO endorsement within 18 months of PIF approval.

I am also pleased to provide a summary of the next steps in the process and to outline, for your easy reference, the mandatory GEF-specific project financial and results management requirements.

Next steps and mandatory GEF-specific requirements:

1. *Issuance of Authorized Spending Limit (ASL):* To facilitate a quick start to the PPG, once the Initiation Plan is signed, please kindly ensure that the Atlas-generated *Annual Work Plan (AWP)* based on the *Total Budget and Annual Work Plan*, along with a copy of the signed cover page, is sent to Mr. Saliou Toure, Regional Technical Advisor (RTA) in Istanbul.

Any proposed budget revisions should be forwarded to the UNDP RTA together with a clear explanation of the changes proposed as any significant changes require review and approval. In addition, please note that UNDP-GEF is not in a position to increase the project budget above the amount already approved by the GEF Council. Therefore, any over-expenditure on this project would have to be absorbed by other Country Office resources.

2. *Fee:* As an Implementing Agency of the GEF, UNDP earns a fee upon approval of each project which is to be used to cover specific project assurance and oversight costs incurred by UNDP. For the Country Office, these services are related to the provision of project cycle management services (see annex 2).

The total fee over the lifetime of the above mentioned project for these Country Office support services will be USD 4,686.83. This fee will be paid directly by the UNDP-GEF Unit to the XB account of the Country Office, based on project delivery, audit compliance, and compliance with the GEF project management requirements outlined below.

As noted above, the GEF fee is provided to cover the project cycle management service indirect cost. At the Country Office level, project cycle management services performed by UNDP Country Offices are broadly analogous to General Management Support (GMS) and cover support to project development and implementation stages. The UNDP-GEF Unit will support the Country Office by providing a suite of specialized technical services as required by the GEF.

3. *GEF-specific project management requirements:*
 - Any changes with respect to the objectives of the initiation plan will have to be discussed with and approved by the RTA, as they will have to be reported to the GEF.
 - All efforts should be made to completely commit the GEF PPG resources by the time the project document is submitted to the GEF for CEO endorsement. A report on the use of the PPG resources must be submitted in Annex C of the GEF CEO Endorsement template.
 - This preparatory phase must be operationally completed in Atlas once the main project is endorsed by the GEF CEO. Financial closure should follow within 6 months, but preferably within the same calendar year.
 - In order to accord proper acknowledgement to the GEF for providing funding, full compliance is needed with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: <https://www.thegef.org/documents/communication-and-visibility>. Full compliance is also required with UNDP's branding guidelines. The UNDP Brand Manual can be accessed via the UNDP Communications Toolkit:

<https://intranet.undp.org/unit/pb/communicate/communicationstoolkit/Pages/default.aspx>

In concluding, I would like to assure you of UNDP-GEF's and my personal commitment to successful implementation of the Initiation Plan. The RTA is at your disposal for advice and technical support. Should you have any concerns or questions, please do not hesitate to contact me.

Yours sincerely,



Mr. Pradeep Kurukulasuriya
Executive Coordinator & Director – Global Environmental Finance
Bureau for Policy and Programme Support (BPPS)/Global Policy Network
United Nations Development Programme

cc:

Mr. Mourad Wahba, Assistant Administrator and Director of RBAS, NY HQ
Ms. Sarah Poole, Deputy Assistant Administrator and Deputy Director of RBAS, NY HQ
Mr. Khaled Abdel Shafi, Hub Manager, Regional Hub, Amman
Mr. Kishan Khoday, Regional Cluster Team Leader, Regional Hub, Amman
Mr. Ghimar Deeb, Deputy Representative/Programme; UNDP Baghdad, Iraq
Mr. Vakhtang Svanidze, Deputy Representative/Operations; UNDP Baghdad, Iraq
Mr. Moises Venancio, Country Advisor, New York HQ, USA
Mrs. Sabrina Aubert, Country Advisor, New York HQ, USA
Mr. Tom Twining-Ward, Regional Team leader / RBAS, UNDP Istanbul, Turkey
Mr. Olivier Waissbein, Senior Technical Advisor, UNDP – GEF New York HQ, USA
Mr. Saliou Toure, UNDP-GEF Technical Advisor, UNDP Istanbul, Turkey
Ms. Fumiko Fukuoka, Senior Partnership Development Advisor, HQ/RBAS
Mr. Alessandro Mracic, Partnership Development Specialist, HQ/RBAS
Mr. Ali Al-Muwali, Project Officer – EECC Portfolio, UNDP Baghdad, Iraq
Mr. James Arike Charles Duku, Environmental Focal Point at the CO, UNDP Baghdad, Iraq

Annex 1: CEO approval letter for PPG



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Add a bookmark

Naoko Ishii
CEO and Chairperson

November 20, 2019

Mr. Pradeep Kurukulasuriya
GEF Executive Coordinator
United Nations Development Programme
One United Nations Plaza
New York, NY 10017

Dear Mr. Kurukulasuriya:

I am pleased to inform you that I have cleared the project concept detailed below for inclusion in the upcoming work program. I have also approved your request for Project Preparation Grant.

Decision Sought:	Project Identification Form (PIF) Clearance for Work Program Inclusion and Project Preparation Grant Approval
GEFSEC ID:	10392
Agency(ies):	UNDP
Agency(ies) ID:	6487
Focal Area:	Climate Change
Project Type:	Full-sized Project
Country(ies):	Iraq
Name of Project:	Promoting Carbon Reduction Through Energy Efficiency (EE) Techniques in Baghdad City
Indicative GEF Project Financing:	\$3,092,009
Indicative Agency Fee:	\$293,741
PPG:	\$150,000
PPG Fee:	\$14,250
Funding Source:	GEF Trust Fund

Indicative Agency Fee Commitment:					
Agency	Trust Fund	20% to be committed at Council approval (US\$)	50% to be committed at first disbursement (US\$)	30% to be committed at mid-term review (US\$)	Total (US\$)
UNDP	GEFTF	58,748	146,871	88,122	293,741
Total		58,748	146,871	88,122	293,741

1818 H Street, NW • Washington, DC 20433 • USA
Tel: +1 (202) 473 3202 - Fax: +1 (202) 522 3240
E-mail: gefceo@thegef.org
www.thegef.org

Mr. Kurukulasuriya

- 2 -

November 20, 2019

This PIF clearance and PPG approval are based on the understanding that the project is in conformity with GEF Trust Fund focal area strategies and with GEF policies and procedures. Please ensure that your final project document, having fully addressed all Secretariat, STAP and Council comments, will be endorsed within 18 months of Council approval of the work program.

Sincerely,



Naoko Ishii
Chief Executive Officer and Chairperson

Copy to: Country Operational Focal Point, GEF Agencies, STAP, Trustee

1818 H Street, NW • Washington, DC 20433 • USA
Tel: +1 (202) 473 3202 - Fax: +1 (202) 522 3240
E-mail: gefcoo@thegef.org
www.thegef.org

Annex 2: Project Cycle Management Services/Oversight tasks to be undertaken during GEF PPG

Stage	Country Office ¹	UNDP/GEF at regional and global level
<p>Project Development</p> <p>To be undertaken before submission for CEO endorsement</p>	<p><i>Initiation Plan/GEF PPG:</i></p> <ul style="list-style-type: none"> • Procurement, coordination, management and financial oversight of contracts associated with UNDP Initiation Plan • Discuss management arrangements 	<ul style="list-style-type: none"> • Coordination of procurement of international consultants as needed. • Assist in preparation of GEF PPG/Initiation Plan. • Technical support, backstopping and troubleshooting. • Support discussions on management arrangements. • Facilitate issuance of DOA. • Allocation of ASL • Financial oversight of PPG Expense • Reporting to the GEF on Financial Closure
	<p><i>Project Document:</i></p> <ul style="list-style-type: none"> • Support project development and assist proponent to identify and negotiate with relevant partners, co-financiers, etc. • Undertake environmental and social screening of project before PAC. Ensure Social and Environmental Standard Procedure (SESP) is signed by the Resident Representative or Chair of PAC meeting and attached as Annex to the Project Document. • Review, appraise, and finalize Project Document as per UNDP POPP • Negotiate and obtain clearances and signatures – Government, UNDP, Implementing Partner, co-financiers, etc. • Coordinate LPAC and document meeting decisions. • Respond to information requests, arrange revisions etc. • Prepare operational and financial reports on development stage as needed. 	<ul style="list-style-type: none"> • Sourcing of technical expertise. • Verification of technical reports and project conceptualization. • Guidance on SOF expectations and requirements. • Negotiate and obtain clearances by SOF. • Respond to information requests, arrange revisions etc. • Quality assurance and due diligence.

Annex 3: Deadlines to be met by the Country Office

Task to be undertaken by Country Office	Deadline	Notes
<p>Initiation Plan/GEF PPG signed by UNDP RR</p>	<p>10 days after PPG Approval.</p>	<ul style="list-style-type: none"> • The UNDP-GEF Unit will send the Initiation Plan and the PPG DOA to the Country Office/IP before the GEF Council meeting. • The Regional UNDP-GEF team will inform the Country Office/IP when the Initiation Plan and DOA have been technically cleared by UNDP-GEF team. This FLAGS to the Country Offices to advertise the TORs for the PPG team.

¹ As per UNDP POPP with additional SOF requirements where relevant.

United Nations Development Programme

		<ul style="list-style-type: none"> When the PPG is approved this FLAGS to the Country Office/IP that the deadline for contracting the PPG team including national consultants is 10 days away.
PPG lead consultant signs contract	20 days after PPG Approval	<ul style="list-style-type: none"> Once signed, these contracts must be sent by the CO/IP to the Regional UNDP-GEF team unless this contract was managed centrally by the UNDP-GEF team.
Prodoc and CEO ER submitted for UNDP-GEF technical and financial clearance	10 months after PIF approval (and 6 months for MSPs)	<ul style="list-style-type: none"> The PPG team must be made aware of this new deadline.
Cancellation review meeting with Regional UNDP-GEF team	10 months after PIF approval (6 months for MSPs)	<ul style="list-style-type: none"> If, in EXCEPTIONAL cases, the submission deadline of 10 months cannot be met (6 months for MSPs), the Country Office will need to have the GEF OFP sign a submission extension request letter. A template of this letter is being prepared by the GEF. This letter must be sent to the Regional UNDP-GEF team.
CEO ER and Prodoc submitted by UNDP-GEF to GEF for CEO endorsement	12 months (8 months for MSPs)	<ul style="list-style-type: none"> FLAGS: to CO/IP to immediately operationally close the PPG. Financial closure of the PPG must happen within 6 months of operational closure.
Standard UNDP Project Appraisal – LPAC	Before CEO endorsement	
CEO endorsement	18 months (12 months for MSPs)	
Prodoc signed by IP	25 days after CEO endorsement	<ul style="list-style-type: none"> The signed ProDoc must be sent to the Regional UNDP-GEF team
First disbursement of GEF grant	40 days after CEO endorsement	<ul style="list-style-type: none"> First disbursement is a key milestone and is closely monitored by the GEF Council.
Inception Workshop	60 days after CEO endorsement	<ul style="list-style-type: none"> NOTE: Inception Report to be completed within one month of workshop
PIRs	Due annually in July	
Posting of Mid-term Review to UNDP Evaluation Resource Center		<ul style="list-style-type: none"> NOTE: MTRs deadline noted on ProDoc cover page. CO must upload MTR to UNDP ERC and prepare management response within 6 weeks of posting. Vertical Fund Unit will reverse GEF Fee payment to CO if MTR and management response not done on time. MSPs are not required to do an MTR.
One Project Extension on an exceptional basis only		<ul style="list-style-type: none"> NOTE: the project can be extended only once on an exceptional basis only, after approval from the UNDP-GEF Executive Coordinator.
Posting of TE to UNDP Evaluation Resource Center		<ul style="list-style-type: none"> FLAGS: CO to operationally close project NOTE: TE deadline noted on ProDoc cover page. CO must upload TE to UNDP ERC and prepare management response within 6 weeks of posting.
Operational closure	Within 3 months of posting of TE	<ul style="list-style-type: none"> FLAG: CO to operationally close project NOTE: Date reported to GEF SEC and GEF Trustee

United Nations Development Programme

Financial closure	Within 6 months of operational closure	<ul style="list-style-type: none">• NOTE: Date reported to GEF SEC and GEF Trustee. GEF SEC monitoring financial closure within 12 months of operational closure
--------------------------	---	---