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COMMITTEE ON SUSTAINABLE ENERGY

Steering Committee of the Energy Efficiency 21 Project

Ad Hoc Group of Experts on Energy Efficiency
Investments for Climate Change Mitigation

Fourteenth session
Geneva, 7-9 October 2009
Item 6 of the Provisional Agenda

**DRAFT WORK PLAN FOR
THE THIRD YEAR OF PROJECT OPERATIONS (2010)**

Note by the secretariat

INTRODUCTION

1. During its eleventh session, the Ad Hoc Group of Experts on Energy Efficiency Investments for Climate Change Mitigation adopted the Revised Work Plan for the First Year of Project Operations (ECE/ENERGY/WP.4/GE.1/2007/2/Rev.2). During its thirteenth session, it adopted the Work Plan for the Second Year of Project Operations (2009), which was endorsed by the twentieth session of the Steering Committee of the Energy Efficiency 21 Project (ECE/ENERGY/WP.4/2009/6). This note provides information on the objectives, activities and the role of participants of the project together with a set of outputs, timetable and budget for the third year of the project operations (2010) in accordance with the Project Document and taking into account activities undertaken during 2008-2009. The total duration of the Project is four years, beginning 1 January 2008.

I. OBJECTIVES

2. The long-term development objective of the project and three immediate objectives are described below. This is followed by a listing of the outputs to be developed under each activity during the first year of project operations.

General Objective: Promote an investment climate in which self-sustaining energy efficiency and renewable energy projects can be identified, developed, financed and implemented by local teams in municipalities, factories and energy utilities.

Objective One: Identify and develop investment projects in the private and public sectors at the local level: identify, develop, finance and implement demand side and supply side energy efficiency and renewable energy projects that meet environmental, health and institutional reform priorities.

Objective Two: Strengthen energy efficiency and renewable energy policies in the participating countries, assisting municipal authorities and national administrations to introduce the economic, institutional and regulatory reforms needed to support investments in energy efficiency and renewable energy projects.

Objective Three: Promote opportunities for banks and commercial companies to invest in energy efficiency and renewable energy projects through the development of new public private partnership investment funds or financing mechanisms.

II. ACTIVITIES AND OUTPUTS

3. The activities to be pursued under each objective and the outputs to be produced during the third year of the project operations (2010) are listed below.¹

A. Objective One: Identify and develop investment projects

1. A network of energy efficiency managers in participating countries:

- (a) Two Ad Hoc Group of Experts meetings in 2010;
- (b) Three business development or project preparation teams per country in place;
- (c) One website per country functional and maintained;
- (d) One project website functional and maintained;
- (e) On-line project development software operational and maintained;
- (f) On-line training modules for local teams communications and software use operational.

¹ Activities carried over fully or partially from the second year of project operations (2009).

- 2. Trained experts in project development, finance, business planning:**
 - (a) Trainers to provide services for investment project development and financial engineering selected;
 - (b) Project development curriculum and training manuals prepared;
 - (c) Course groups of participants in participating countries selected and receiving training;
 - (d) Eleven training/business development courses conducted;
 - (e) Remote assistance to training course participants provided via Internet.

 - 3. Investment project pipeline:**
 - (a) Project selection criteria developed in consultation with Investment Fund Designer and/or Investment Fund Manager;
 - (b) Set of investment project proposals meeting agreed criteria prepared;
 - (c) Technical and financial evaluation of proposed projects performed by Investment Fund Manager and/or Investment Fund Designer.
- B. Objective Two: Strengthen energy efficiency and renewable energy policies**
- 1. Economic, institutional and regulatory reforms:**
 - (a) Regional analysis of policy reforms finalized and published;
 - (b) Twelve case studies developed by the National Participating Institutions (NPI) finalized and published;
 - (c) Twelve case studies developed by the regional policy analysis contractor finalized and published;
 - (d) One workshop for international and local experts organized.

 - 2. Energy efficiency seminars:**

One follow-up seminar on policy reforms organized.

 - 3. Policy advisory services:**
 - (a) Policy advisory services on energy policy reforms in participating countries provided;
 - (b) Analysis of economic and environmental impact of policy reforms prepared;
 - (c) Consultative meetings of policymakers, NPIs and Investment Fund Manager conducted;
 - (d) Evaluation of national experiences in adoption of recommended policy reforms conducted.

C. Objective Three: Promote opportunities for commercial banks and companies to invest

1. Energy Efficiency Investment Fund:

- (a) One public-private Investment Fund designed and structured;¹
- (b) Lead investor(s) for the Investment Fund identified;
- (c) Investment Fund Manager selected;
- (d) Report on public and private sector investor interest prepared;
- (e) Financial advisory services.

2. Investment project development standards:

- (a) Draft investment project standard terms, units, definitions and templates developed;¹
- (b) Standard format for project preparation and software applications prepared.¹

3. Investment project pipeline inventory:

- (a) Project pipeline software package designed;¹
- (b) Pipeline software package delivered to local teams;¹
- (c) Project pipeline inventory launched;¹
- (d) Access to the project pipeline for the Investment Fund Manager provided.

III. WORK METHODS

4. ECE is the Executing Agency for the project carried out under the auspices of the Committee on Sustainable Energy by the Steering Committee of the Energy Efficiency 21 Project. Decision-making and guidance for the project are in line with the participation and procedures of the Draft Project Plan 2009-2012 for the Energy Efficiency 21 Project (ECE/ENERGY/WP.4/2009/2). As a subregional project of Energy Efficiency 21, the project is the direct responsibility of the Ad Hoc Group of Experts on Energy Efficiency Investments for Climate Change Mitigation comprising National Coordinators (NC) and representatives of National Participating Institutions (NPI) appointed by the Governments of the participating countries of the project.

5. The Ad Hoc Group of Experts also includes representatives of United Nations Environment Programme (UNEP) and ECE secretariats as well as the co-financing partners United National Foundation (UNF), United Nations Fund for International Partnerships (UNFIP), Global Environment Facility (GEF), Fonds Français pour l'Environnement Mondial (FFEM), European Business Congress (EBC) and representatives of international financial institutions active in the region, including the European Bank for Reconstruction and Development (EBRD), World Bank, International Finance Corporation (IFC), Nordic Investment Bank (NIB), Black Sea Development Bank, European Investment Bank (EIB) and the Council of Europe Development Bank. Similarly, the United Nations Development Programme (UNDP)

European Regional Office in Bratislava (Slovakia), the UNDP Resident Representatives in the participating countries and representatives of the United Nations Industrial Development Organization (UNIDO) are invited to take part in project activities. Decision-making within the ECE Sectoral Committees and subsidiary bodies is on the basis of consensus. Monitoring and evaluation officers also participate in the Ad Hoc Group of Experts meetings as observers.

6. At its nineteenth session held in Geneva in May 2008, the Steering Committee of the Energy Efficiency 21 Project delegated to the Ad Hoc Group of Experts the authority to serve as the executive decision-making body for the Financing Energy Efficiency Investments for Climate Change Mitigation Project (ECE/ENERGY/WP.4/2008/3, para. 24 (h)). The Ad Hoc Group of Experts elects a Chairman and a Vice-Chairman on a rotating basis and normally meets twice a year in Geneva .

IV. ROLE OF PROJECT PARTICIPANTS

7. ECE is executing the project through the Project Management Unit (PMU) of the Sustainable Energy Division according to the Project Document and the annual Work Plans approved by the Ad Hoc Group of Experts.

8. Each supporting institution participates in the Ad Hoc Group of Experts to provide institutional oversight, monitoring and evaluation of project activities. UNEP is the Implementing Agency of the GEF which provides donor institution oversight through the UNEP Division of Technology, Industry and Economics. FFEM, UNF, UNFIP and EBC also take part and perform similar functions in providing donor institution oversight. Mr. Glen Skovholt is the UNF/UNFIP Monitoring and Evaluation Adviser reporting to the Ad Hoc Group of Experts and to the Steering Committee of the Energy Efficiency 21 Project.

9. The Ad Hoc Group of Experts provides guidance on the project's implementation on the basis of the Project Document during its biannual sessions and reports on progress to the annual sessions of the Steering Committee of the Energy Efficiency 21 Project.

10. NCs are responsible for the implementation of the project at the national level under the guidance of and in cooperation with the Project Manager located within the Project Management Unit in the ECE secretariat.

11. NPIs coordinate project operations at the national level in close cooperation with relevant ministries or government agencies responsible for international sustainable energy and climate change mitigation projects. The ECE Grants Committee has approved 12 grants in the amount of \$35,000 each for the NPI in each of the 12 participating countries. Under the terms of the grant, the NPI is responsible for developing and delivering the National Project Website, National Energy Policy Information for Regional Analysis, and National Case Study. As several NPIs started implementation of these grants in 2009, these activities will be carried over by them into 2010.

12. NPIs will be invited to participate in preparing detailed curricula for implementation of the Energy Efficiency Business Development Course Programme. In accordance with the Project Document (ECE-INT-04-318), the participating countries are expected to provide "in kind" contributions for training courses (such as training course classroom facilities, interpretation

services, local costs of experts taking part in training courses, etc.). When necessary, NPIs may receive additional funding from the Project budget to facilitate organization of training courses in their countries.

13. The ECE Grants Committee has approved a grant in the amount of Euro 25,000 to ADEME - Agence de l'Environnement et de la Maîtrise de l'Energie (French Environment and Energy Management Agency) to provide advisory services on energy policy in the 12 participating countries. Advisory services are provided at the request of policymakers of participating countries, National Coordinators, NPIs and ECE secretariat in accordance with the terms of reference of the grant. Continuation of the advisory services provided by ADEME is anticipated in 2010.

14. UNEP, under an agreement with ECE, will provide assistance in project monitoring and evaluation of the project results, in particular as related to the design of the Investment Fund; conditions for investment fund start-up and its operations; identification of the preliminary investment projects pipeline; co-ordination with other UNEP and GEF projects (particularly those developing energy efficiency related financial mechanisms in countries belonging to the targeted group); liaison with investors and relevant international financial institutions such as EBRD through existing UNEP-EBRD cooperation.

15. The Project Management Unit located within the ECE secretariat plans the detailed operations of the project and coordinates activities with the NPIs, consultants, contractors, national experts, supporting institutions and other international organizations. It organizes project seminars, workshops, produces selected outputs and services the meetings of the Ad Hoc Group of Experts and the Steering Committee of the Energy Efficiency 21 Project.

16. The Project Management Unit will develop grant proposals and terms of reference for NPIs in selected participating countries to develop the Indicative Project Pipeline. The amount of the grant is expected to be up to \$20,000 per implementing institution (ECE/ENERGY/WP.4/GE.1/2008/6, para. 11).

17. In the second year of project operations, three major contractors were selected.

18. Conning Asset Management Limited, United Kingdom (www.conning.com) is the Investment Fund Designer contractor. Under the terms of the 12-month contract, it will structure and prepare the investment fund; analyse the financial, legal and fiscal issues; solicit public sector entities and private sector investor participation; and prepare the terms of reference for an experienced fund manager. This activity is to be completed by May 2010.

19. Pöyry Energy Consulting AG, Switzerland (www.poyry.com) is the contractor for the Regional Analysis of Policy Reforms to Promote Energy Efficiency and Renewable Energy Investments (12-month contract). The contractor will collect and analyse economic and energy policy data from the 12 participating countries; prepare an analytical report and case studies that will be issued as a publication by the United Nations; and present the findings to senior policymakers. Among the tasks included in the contract are identification of specific policy, regulatory and institutional “bottlenecks” to energy efficiency and renewable energy market formation and analysis of how policy reforms could transform economically attractive

investment projects into bankable projects. This activity will be completed by January 2010, and the Regional Analysis of Policy Reforms will be published in early 2010.

20. EnEffect, Bulgaria (www.eneffect.bg) has a 36-month contract to undertake the development of a website and Internet communications network of energy efficiency managers in Eastern Europe. EnEffect will establish a website for the project and local teams of energy efficiency managers in each of the 12 participating countries; provide software applications to identify, select, develop, finance and implement energy efficiency and renewable energy projects and analyse greenhouse gas emissions; and develop on-line training for local teams for Internet communications and software use, as well as provide a platform for on-line investment project development training courses. This activity will continue in 2010 and 2011.

21. Consultants will be identified to conduct training/business development courses in the participating countries based on the approved Business Development and Project Preparation Training Course Curriculum, which will be developed in consultation with NCs and NPIs.

22. The role of the main project participants and responsibilities for the activities and outputs is shown in Table 1.

V. TIMETABLE

23. The timetable for activities planned for the second year of operations is given in Table 2.

VI. BUDGET

24. The participating countries “in-kind” contributions provide for project offices, training course classroom facilities, local interpretation for training and project advisers, office equipment, consumables, staff (both professional, including the full-time services of a National Coordinator and support personnel) and computer technology for Internet operations for the duration of the project.

25. The ECE Secretariat will make an annual “in-kind” contribution of \$500,000 of personnel, offices, communications, conference services, interpretation, documents translation, reproduction and distribution.

26. The supporting institutions have made the disbursements for the first and second years of project operations. The disbursements for the third year of project operations are expected in the first quarter of 2010. The estimated expenditures for objectives and activities of the project are shown in Table 3.

Table 1: Workplan Tasks – Objectives, Activities, Outputs and Tasks for the Second Year of Project Operations

| Project Objectives, Activities and Outputs | Partners for Project Implementation | | | |
|--|-------------------------------------|-------------------------------------|-------------------------|-----------------------------|
| | National Coordinators | National Participating Institutions | Project Management Unit | Contractors and Consultants |
| Objective One: Identify and develop investment projects | | | | |
| 1.1 Network of energy efficiency managers in participating countries | | | | |
| (a) 2 Ad Hoc Group of Experts meetings in 2010 | | | | |
| (b) 3 Business Development or Project Preparation Teams per country in place | | | | |
| (c) 1 Website per country functional and maintained | | | | |
| (d) 1 Project Website functional and maintained | | | | |
| (e) On-line project development software operational and maintained | | | | |
| (f) On-line training modules for local teams communications and software use operational | | | | |
| 1.2 Trained experts in project development, finance, business planning | | | | |
| (a) Trainers to provide services for Investment Project Development and Financial Engineering selected | | | | |
| (b) Project Development curriculum and training manuals prepared | | | | |
| (c) Training Course Groups of Participants in participating countries selected and receiving training | | | | |
| (d) 11 Training/Business Development Courses conducted | | | | |
| (e) Remote assistance to Training Course Participants provided via Internet | | | | |
| 1.3 Investment project pipeline | | | | |
| (a) Project selection criteria developed in consultation with Investment Fund Designer and/or Investment Fund Manager | | | | |
| (b) Set of investment project proposals meeting agreed criteria prepared | | | | |
| (c) Technical and financial evaluation of proposed projects performed by Investment Fund Manager and/or Investment Fund Designer | | | | |

**Table 1: Workplan Tasks – Objectives, Activities, Outputs and Tasks for the Second Year of Project Operations
(continued)**

| Project Objective, Activities and Outputs | Partners for Project Implementation | | | |
|--|-------------------------------------|-------------------------------------|-------------------------|-----------------------------|
| | National Coordinators | National Participating Institutions | Project Management Unit | Contractors and Consultants |
| Objective Two: Strengthen energy efficiency policies | | | | |
| 2.1 Economic, Institutional and Regulatory Reforms | | | | |
| (a) Regional Analysis of Policy Reforms finalized and published | | | | |
| (b) 12 Case Studies developed by the National Participating Institutions finalized and published | | | | |
| (c) 12 Case Studies developed by the Regional Policy Analysis contractor finalized and published | | | | |
| (d) 1 Workshop for international and local experts organized | | | | |
| 2.2 Energy Efficiency Seminars | | | | |
| (a) 1 follow-up Seminar on Policy Reforms organized | | | | |
| 2.3 Policy Advisory Services | | | | |
| (a) Policy Advisory Services on Energy Policy Reforms in participating countries provided | | | | |
| (b) Analysis of Economic and Environmental Impact of Policy Reforms prepared | | | | |
| (c) Consultative meetings of policy-makers, NPIs and Investment Fund Manager conducted | | | | |
| (d) Evaluation of national experiences in adoption of recommended policy reforms conducted | | | | |

**Table 1: Workplan Tasks – Objectives, Activities, Outputs and Tasks for the Second Year of Project Operations
(continued)**

| Project Objective, Activities and Outputs | Partners for Project Implementation | | | |
|---|-------------------------------------|-------------------------------------|-------------------------|-----------------------------|
| | National Coordinators | National Participating Institutions | Project Management Unit | Contractors and Consultants |
| Objective Three: Promote opportunities for commercial sector investors | | | | |
| 3.1 Energy Efficiency Investment Fund | | | | |
| (a) 1 Public-Private Investment Fund designed and structured | | | | |
| (b) Lead Investor(s) for the Investment Fund identified | | | | |
| (c) Investment Fund Manager selected | | | | |
| (d) Report on Public and Private Sector Investor Interest prepared | | | | |
| (e) Financial Advisory Services | | | | |
| 3.2 Investment Project Development Standards | | | | |
| (a) Draft Investment Project Standard Terms, Units, Definitions and Templates developed | | | | |
| (b) Standard Format for Project Preparation and Software Applications prepared | | | | |
| 3.3 Investment Project | | | | |
| (a) Project Pipeline Software Package designed | | | | |
| (b) Pipeline Software Package delivered to Local Teams | | | | |
| (c) Project Pipeline Inventory launched | | | | |
| (d) Access to the Project Pipeline for the Investment Fund Manager provided | | | | |

Table 2: Workplan Timetable – Objectives, Activities, Outputs and Schedule of the Second Year of Project Operations

| Project Objectives, Activities and Outputs | 1) Schedule of Project Operations: January – December 2010 | | | | | | | | | | | |
|--|--|---|---|---|---|---|---|---|---|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Objective One: Identify and develop investment projects | | | | | | | | | | | | |
| 1.1 Network of energy efficiency managers in participating countries | | | | | | | | | | | | |
| (a) 2 Ad Hoc Group of Experts meetings in 2010 | | | | ■ | | | | | | ■ | | |
| (b) 3 Business Development or Project Preparation Teams per country in place | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| (c) 1 Website per country functional and maintained | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| (d) 1 Project Website functional and maintained | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| (e) On-line project development software operational and maintained | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| (f) On-line training modules for local teams communications and software use operational | ■ | ■ | ■ | | | | | | | | | |
| 1.2 Trained experts in project development, finance, business planning | | | | | | | | | | | | |
| (a) Trainers to provide services for Investment Project Development and Financial Engineering selected | ■ | ■ | | | | | | | | | | |
| (b) Project Development curriculum and training manuals prepared | ■ | ■ | ■ | ■ | | | | | | | | |
| (c) Training Course Groups of Participants in participating countries selected and receiving training | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| (d) 11 Training/Business Development Courses conducted | | | | | | | | | | | ■ | ■ |
| (e) Remote assistance to Training Course Participants provided via Internet | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| 1.3 Investment project pipeline | | | | | | | | | | | | |
| (a) Project selection criteria developed in consultation with Investment Fund Designer and/or Investment Fund Manager | ■ | ■ | | | | | | | | | | |
| (b) Set of investment project proposals meeting agreed criteria prepared | ■ | ■ | ■ | ■ | ■ | ■ | | | | | | |
| (c) Technical and financial evaluation of proposed projects performed by Investment Fund Manager and/or Investment Fund Designer | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |

Table 2: Workplan Timetable – Objectives, Activities, Outputs and Schedule of the Second Year of Project Operations (continued)

| Project Objective, Activities and Outputs | 2) Schedule of Project Operations: January - December 2010 | | | | | | | | | | | |
|--|--|---|---|---|---|---|---|---|---|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Objective Two: Strengthen energy efficiency policies | | | | | | | | | | | | |
| 2.1 Economic, Institutional and Regulatory Reforms | | | | | | | | | | | | |
| (a) Regional Analysis of Policy Reforms finalized and published | | | | | | | | | | | | |
| (b) 12 Case Studies developed by the National Participating Institutions finalized and published | | | | | | | | | | | | |
| (c) 12 Case Studies developed by the Regional Policy Analysis contractor finalized and published | | | | | | | | | | | | |
| (d) 1 Workshop for international and local experts organized | | | | | | | | | | | | |
| 2.2 Energy Efficiency Seminars | | | | | | | | | | | | |
| (a) 1 follow-up Seminar on Policy Reforms organized | | | | | | | | | | | | |
| 2.3 Policy Advisory Services | | | | | | | | | | | | |
| (a) Policy Advisory Services on Energy Policy Reforms in participating countries provided | | | | | | | | | | | | |
| (b) Analysis of Economic and Environmental Impact of Policy Reforms prepared | | | | | | | | | | | | |
| (c) Consultative meetings of policy-makers, NPIs and Investment Fund Manager conducted | | | | | | | | | | | | |
| (d) Evaluation of national experiences in adoption of recommended policy reforms conducted | | | | | | | | | | | | |

**Table 2: Workplan Timetable – Objectives, Activities, Outputs and Schedule of the Second Year of Project Operations
(continued)**

| a. Project Objective, Activities and Outputs | 3) Schedule of Project Operations: January - December 2010 | | | | | | | | | | | |
|---|--|---|---|---|---|---|---|---|---|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Objective Three: Promote opportunities for commercial sector investors | | | | | | | | | | | | |
| 3.1 Energy Efficiency Investment Fund | | | | | | | | | | | | |
| (a) 1 Public-Private Investment Fund designed and structured | | | | | | | | | | | | |
| (b) Lead Investor(s) for the Investment Fund identified | | | | | | | | | | | | |
| (c) Investment Fund Manager selected | | | | | | | | | | | | |
| (d) Report on Public and Private Sector Investor Interest prepared | | | | | | | | | | | | |
| (e) Financial Advisory Services | | | | | | | | | | | | |
| 3.2 Investment Project Development Standards | | | | | | | | | | | | |
| (a) Draft Investment Project Standard Terms, Units, Definitions and Templates developed | | | | | | | | | | | | |
| (b) Standard Format for Project Preparation and Software Applications prepared | | | | | | | | | | | | |
| 3.3 Investment Project | | | | | | | | | | | | |
| (a) Project Pipeline Software Package designed | | | | | | | | | | | | |
| (b) Pipeline Software Package delivered to Local Teams | | | | | | | | | | | | |
| (c) Project Pipeline Inventory launched | | | | | | | | | | | | |
| (d) Access to the Project Pipeline for the Investment Fund Manager provided | | | | | | | | | | | | |

Table 3: Work Plan Second Year Output Costs and Total Output Costs – 2010 (US dollars)

| Objective, Activity and Outputs | Comments | National Participating Institutions | Project Management Unit | Consultants and Contractors | Total (US Dollars) |
|--|--|-------------------------------------|-------------------------|---|--------------------|
| Section 1.02 Objective One: Identify and develop investment projects | | | | | |
| 1.1 A network of energy efficiency managers in participating countries | | | | | |
| (a) 2 Ad Hoc Group of Experts meetings in 2010 | NC and/or NPI travel costs | 70,000 | -- | 10,000 | 80,000 |
| (b) 3 Business Development or Project Preparation Teams per country in place | NPI in-kind contribution | -- | -- | Amount is part of the total contract ² | -- |
| (c) 1 Website per country functional and maintained | \$ 5,000 per country | 60,000 | -- | -- | 60,000 |
| (d) 1 Project Website functional and maintained | Website and Communications contractor: EnEffect | -- | -- | 2 | -- |
| (e) On-line project development software operational and maintained | EnEffect | -- | -- | 2 | -- |
| (f) On-line training modules for local teams communications and software use operational | EnEffect | -- | -- | 2 | -- |
| 1.1 Sub-total Cost | | 130,000 | -- | 10,000 | 140,000 |
| 1.2 Trained experts in project development, finance, business planning | | | | | |
| (a) Trainers to provide services for Investment Project Development and Financial Engineering selected | PMU in kind contribution | -- | -- | -- | -- |
| (b) Project Development curriculum and training manuals prepared | Expenditures covered by item 1.2 (d) below | -- | -- | -- | -- |
| (c) Training Course Groups of Participants in participating countries selected and receiving training | NPI related expenditures covered by item 1.2 (d) below | -- | -- | -- | -- |
| (d) 11 Training/Business Development Courses conducted | Courses in a country or a group of countries; NPI in-kind contribution | 110,000 | 15,000 | 330,000 | 455,000 |
| (e) Remote assistance to Training Course Participants provided via Internet | EnEffect | -- | -- | 2 | -- |
| 1.2 Sub-total Cost | | 110,000 | 15,000 | 330,000 | 455,000 |

**Table 3: Work Plan Second Year Output Costs and Total Output Costs
(continued)**

| Objective, Activity and Outputs | Comments | National Participating Institutions | Project Management Unit | Consultants and Contractors | Total (US Dollars) |
|--|---|-------------------------------------|-------------------------|-----------------------------|--------------------|
| 1.3 Investment project pipeline | | | | | |
| (a) Project selection criteria developed in consultation with Investment Fund Designer and/or Investment Fund Manager | Final criteria developed by Fund Designer : Conning | -- | -- | 2 | -- |
| (b) Set of investment project proposals meeting agreed criteria prepared | Indicative projects prepared in 8 countries, US\$ 20,000 per year per country | 160,000 | -- | -- | 160,000 |
| (c) Technical and financial evaluation of proposed projects performed by Investment Fund Manager and/or Investment Fund Designer | Conning/Fund Manager | -- | -- | 2 | -- |
| 1.3 Sub-total Cost | | 160,000 | -- | -- | 160,000 |
| Objective Two: Strengthen energy efficiency and renewable energy policies | | | | | |
| 2.1 Economic, Institutional and Regulatory Reforms | | | | | |
| (a) Regional Analysis of Policy Reforms finalized and published | RRegional Analysis contractor: Poyry | -- | -- | 2 | -- |
| (b) 12 Case Studies developed by the National Participating Institutions finalized and published | US\$ 20,000 per year per country – budget provided in year 2009 | -- | -- | -- | -- |
| (c) 12 Case Studies developed by the Regional Policy Analysis contractor finalized and published | Poyry | -- | -- | 2 | -- |
| (d) 1 Workshop for international and local experts organized | MoU to conclude with the organising NPI | 35,000 | 5,000 | -- | 40,000 |
| 2.1 Sub-total Cost | | 35,000 | 5,000 | -- | 40,000 |

**Table 3: Work Plan Second Year Output Costs and Total Output Costs
(continued)**

| Objective, Activity and Outputs | Comments | National Participating Institutions | Project Management Unit | Consultants and Contractors | Total (US Dollars) |
|--|---|-------------------------------------|-------------------------|-----------------------------|--------------------|
| 2.2 Energy Efficiency Seminars | | | | | |
| (a) 1 follow-up Seminar on Policy Reforms organized | Poyry/National in-kind contribution | 35,000 | 5,000 | 2 | 40,000 |
| 2.2 Sub-total Cost | | 35,000 | 5,000 | -- | 40,000 |
| 2.3 Policy Advisory Services | | | | | |
| (a) Policy Advisory Services on Energy Policy Reforms in participating countries provided | Provided by ADEME under MOU with UNECE | -- | -- | 35,000 | 35,000 |
| (b) Analysis of Economic and Environmental Impact of Policy Reforms prepared | Provided by ADEME under MOU with UNECE, expenditure covered by item 2.3 (a) above | -- | -- | -- | -- |
| (c) Consultative meetings of policy-makers, NPIs and Investment Fund Manager conducted | | 25,000 | 5,000 | 2 | 30,000 |
| (d) Evaluation of national experiences in adoption of recommended policy reforms conducted | | -- | -- | -- | -- |
| 2.3 Sub-total Cost | | 25,000 | 5,000 | 35,000 | 65,000 |

**Table 3: Work Plan Second Year Output Costs and Total Output Costs
(continued)**

| | | | | | |
|--|--|----------------|---------------|----------------|-----------------|
| Objective Three: Promote opportunities for commercial banks and companies to invest | | | | | |
| 3.1 Energy Efficiency Investment Fund | | | | | |
| (a) 1 Public-Private Investment Fund designed and structured | Conning | -- | -- | 2 | -- |
| (b) Lead Investor(s) for the Investment Fund identified | Conning | -- | -- | 2 | -- |
| (c) Investment Fund Manager selected | | -- | -- | 2 | -- |
| (d) Report on Public and Private Sector Investor Interest prepared | Fund Designer Contract | -- | -- | 2 | -- |
| (e) Financial Advisory Services | Provided by UNEP (DTIE) under MOU with UNECE | -- | -- | 75,000 | 75,000 |
| 3.1 Sub-total Cost | | -- | -- | 75,000 | 75,000 |
| 3.2 Investment Project Development Standards | | | | | |
| (a) Draft Investment Project Standard Terms, Units, Definitions and Templates developed | Conning/EnEffect | -- | -- | 2 | -- |
| (b) Standard Format for Project Preparation and Software Applications prepared | Conning/EnEffect | -- | -- | 2 | -- |
| 3.2 Sub-total Cost | | -- | -- | -- | -- |
| 3.3 Investment Project Pipeline Inventory | | | | | |
| (a) Project Pipeline Software Package designed | Conning / EnEffect | -- | -- | 2 | -- |
| (b) Pipeline Software Package delivered to Local Teams | EnEffect | -- | -- | 2 | -- |
| (c) Project Pipeline Inventory launched | EnEffect/NPI | -- | -- | 2 | -- |
| (d) Access to the Project Pipeline for the Investment Fund Manager provided | | -- | -- | 2 | -- |
| 3.3 Sub-total Cost | | -- | -- | -- | -- |
| Total Output Costs² | | 495,000 | 30,000 | 450,000 | 975 ,000 |

**Table 3: Work Plan Second Year Output Costs and Total Output Costs
(continued)**

| Item of Expenditure | Comments | National Participating Institutions | Project Management Unit | Consultants & Contractors | Total (US Dollars) |
|--|---|--|--------------------------------|--------------------------------------|---------------------------|
| Total Output Costs | See table outputs & cost above | 495,000 | 30,000 | 450,000 | 975,000 |
| Travel PMU not specified above | Travel costs 50,000 per year | -- | 50,000 | -- | 50,000 |
| General Operating Costs, Equipment | PMU operating costs, IT equipment, external printing | -- | 20,000 | -- | 20,000 |
| Monitoring, Evaluation | UNFIP | -- | -- | 25,000 | 25,000 |
| Associate Programme Officer L-2 | Geneva | -- | 150,000 | -- | 150,000 |
| Associate Expert L-2 | Geneva (50% French Government, 50% project) | -- | 12,500 | -- | 12,500 |
| Investment Fund Designer contract | Conning Asset Management Ltd | -- | -- | 500,000 | 500,000 |
| <i>Regional Analysis of Policy Reforms to Promote Energy Efficiency and Renewable Energy Investments</i> | <i>Pöyry Energy Consulting AG; Budgeted in workplan of 2009</i> | -- | -- | <i>Total disbursed in 2009</i> | |
| Development of a Website and Internet Communications Network of Energy Efficiency Managers in Eastern Europe | Centre for Energy Efficiency EnEffect | -- | -- | 100,000 | 100,000 |
| Total Project Cost ** | | 495,000 | 262,500 | 1,075,000 | 1,832,000 |

² Amount is part of the total contract: Specific amounts will be determined by the respective contractor(s) based on the overall budgets for the three contracts as follows: \$1,250,000 for Investment Fund Designer (12 months, 40 per cent of amount (\$500,000) due on the budget of 2010); \$988,300 for Regional Analysis of Policy Reforms to Promote Energy Efficiency and Renewable Energy Investments (12 months, total amount disbursed on the budget of 2009); \$497,230 for Development of a Website and Internet Communications Network of Energy Efficiency Managers in Eastern Europe (36 months, 20 per cent of amount (\$100,000) due on the budget of 2010), of which \$384,000 are for the first 12 months. Amounts allocated to the contracts are included in the Table 3 separately under the total project costs.
