Overview on the Global Environment Facility (GEF): GFEI Projects to date

IEA Energy Efficiency Training Week and

GFEI Global Partners Meeting

Paris, 12 June 2015

- GEF context: GFEI GEF 4 pilots, outcomes
- GEF 5 project
  - Objectives
  - Outcomes and outputs
  - Indicator
  - National activities
- progress in the 6 STAR allocation countries, and progress in additional countries
- timeline and upcoming reviews
- GEF 6 discussions positive

GEF 4: GFEI 2010-2013
- 4 pilots (Chile, Ethiopia, Kenya & Indonesia)
- Tools
- Global campaign

Climate Change Mitigation Portfolio: Reducing or avoiding greenhouse gas emissions in the areas of renewable energy; *energy efficiency; sustainable transport*; and management of land use, land-use change ,and forestry

Total Amount: $3,120,000, co-funded by FIA Foundation, IEA and ITF
GEF funding: $980,000

Results

- **Chile, Ethiopia, Kenya & Indonesia**:
  - National projects, baseline
  - Fuel economy policies or proposals:
    - Chile has developed and implemented a mandatory national fuel economy labeling program which is the only one of its kind in Latin America and the Caribbean.
    - Indonesia has drafted fuel economy and fuel quality policies which when adopted will be implemented from 2016; incentives and tax breaks for manufacturers that will produce 1200cc or smaller engine gasoline cars and for diesel up to 1500cc, and including hybrid vehicles.
    - Ethiopia: Baseline and analysis completed. Awaiting policy adoption
    - Kenya: Baseline and analysis completed. Cost-benefit analysis completed. Vehicle labelling schemes being developed.
- Africa, Latin America, Middle East, Asia and Central and Eastern Europe have held region-wide workshops

Chile

Eficiencia Energética

Marca:	
Modelo:	
Combustible: Gasolina	
Norma de Emisión: EURO III	
Emisiones de CO2: 164 g/km	

RENDIMIENTO DE COMBUSTIBLE

Mixto **14,5** km/l

Carretera **18,3** km/l

Ciudad 12,1 km/l

o First *mandatory* labeling system for LDV's in LAC, March 2012 www.compraunautolimpio.cl

o FE-based registration tax new light-duty vehicle (LDV) and medium-duty vehicle (MDV). Tax is based on the fuel economy labeling of each new vehicle.
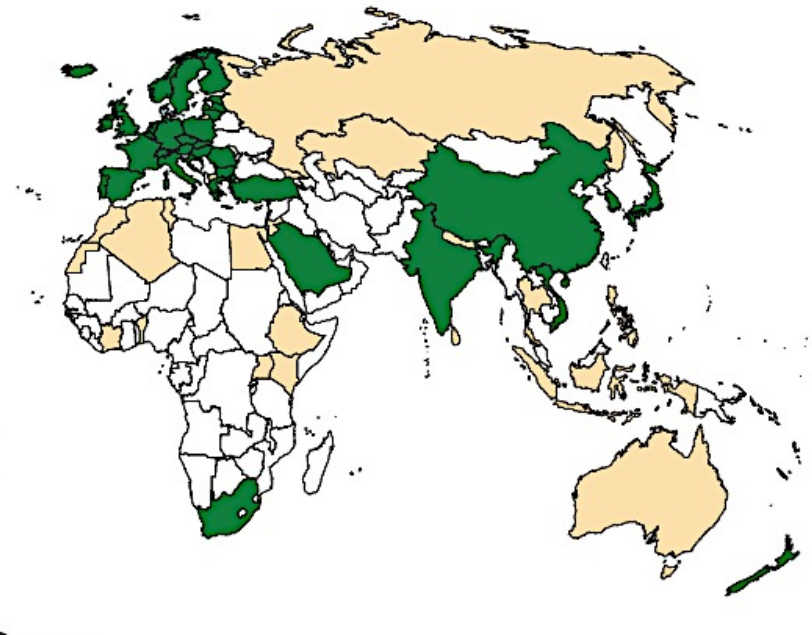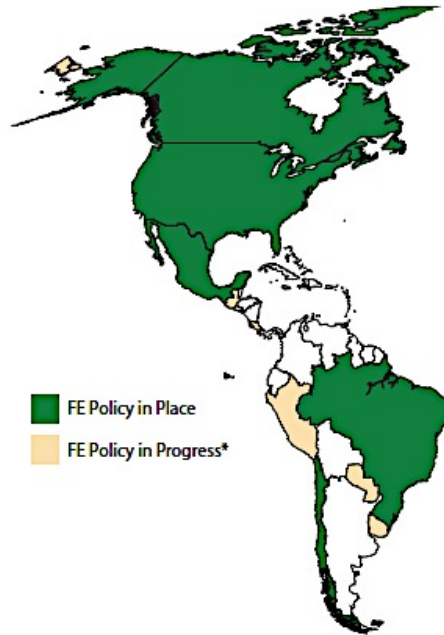
Global Progress on Fuel Economy Policy
(2010)

FE Policy in Place

FE Policy in Progress*
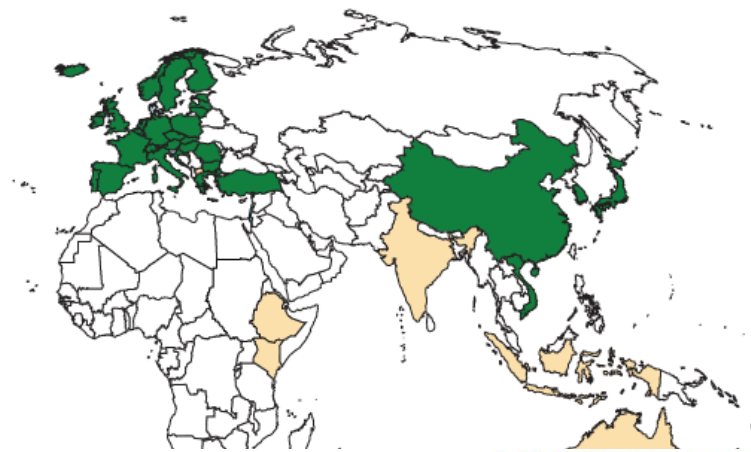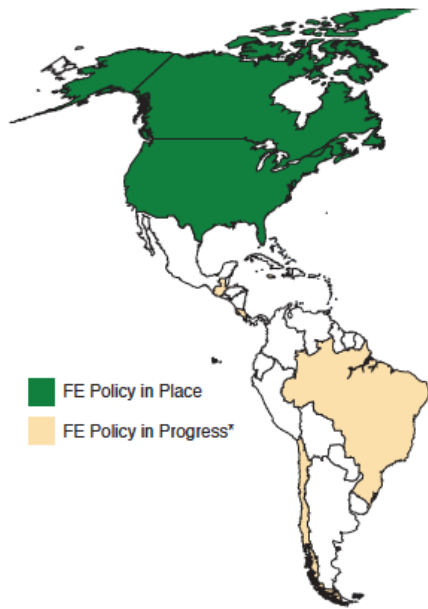
* GFEI partners are involved in supporting all these countries except in Brasil
For more information visit www.globalfueleconomy.org

Global Progress on Fuel Economy Policy
(2015)

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FE Policy in Progress*

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June 2015 - For more information visit www.globalfueleconomy.org

Global Fuel Economy Initiative (GFEI)

GEF 5: 2014-2017

- 20 countries total:
  - 6 STAR Allocations: $500K - $200K from Peru, Cote d'Ivoire, Jamaica, FYR Macedonia, Mauritius, Montenegro
  - 14+ countries without GEF funding
- Implementing: UNEP
- Executing: FIA Foundation
- $2,485,000 GEF 5 (-$223,181 fee)+ $9,203,606 co-financing UNEP, FIA Foundation, IEA, ITF, ICCT and countries

Objectives

- To develop national fuel economy policies in 20 countries

- To support coordination of the 20 country projects at the regional level

- To result in reduced vehicle CO_2 emissions in these 20 countries in line with GFEI target of 50:50

Outcomes & Outputs

① National

② Regional

③ Communications

① National

- **Outcome 1.1**: "Conducive institution framework to develop and adopt auto fuel economy policies in 20 countries"
  - Output(s):
    - 1.1(a) Formal project agreements
      1.1(b) National working groups

① National (2)

– **<u>Outcome 1.2:</u>** "20 countries acquire advanced technical knowledge on fuel economy and impact of policy options"

- Outputs:
  - 1.1 (a) Data
  - 1.2 (b) Baseline
  - 1.2 (c) CBA (where needed)

① National (3)

– **Outcome 1.3:** "20 countries supported to develop and adopt national auto fuel economy policies"

- Outputs:

  - 1.3 (a) National workshops

  - 1.3 (b) Awareness campaigns

  - 1.3 (c) Training sessions

  - 1.3 (d) **Submit draft auto fuel economy policies to national decision-making bodies**

② Regional

- **Outcome 2**: "Cooperation on fuel economy established within regions…"
  - Output(s):
    - 2.1: 4 regional workshops, 10 new FE projects
    - 2.2: Regional FE "knowledge-bases"
    - 2.3: Regional policy harmonization initiative

    …how do we "replicate" and demonstrate it?

③ Communications

- **Outcome 3**: "Improved awareness and understanding of auto fuel economy issues…"
  - *GFEI Secretariat,* www.globalfueleconomy.org
  - Output(s):
    - 3.1: website, tools
    - 3.2: Global and regional forums (Leipzig, etc.)
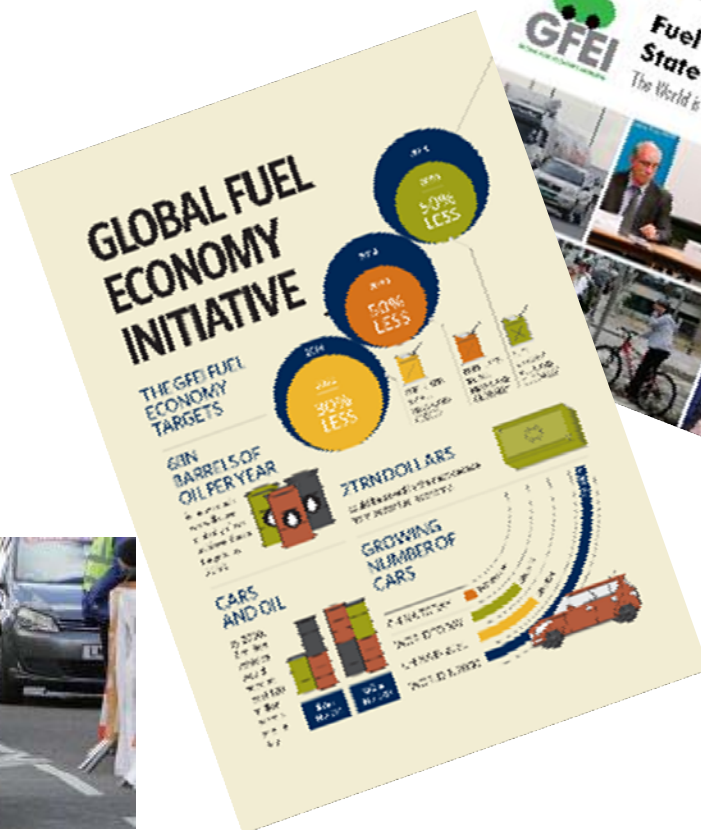   - 3.3: Films, publications, etc.

③ Communications (2)

③ Communications (3)

Main indicator:

➢ Formulation of comprehensive fuel economy policies

Means of verification:

❑ National project agreements
❑ Publications
❑ Formal announcements
❑ Databases, Websites
❑ Baselines
❑ CBA's
❑ Workshops

National Activities

❑ Baseline & Projection

❑ Coalition-building and Consultation

❑ Policy Options Evaluation and Design

❑ Propose and Communicate

❑ Implementation support

I. Plan & Design

- **Build National Partner Capacity re: Auto Fuel Economy Issues and Approaches**
- **Auto Fuel Economy Baseline + Projection**
    - Data gathering and analysis
    - Communication and publication of data results
    - Identification of trends
- **Coalition Building and Consultation**
    - Private sector participation
    - Intra-governmental working group(s)
    - National working sessions
- **Policy Choice and Design**
    - Consideration of feasible policy options:
        - Standards (yes/no?)
        - Fiscal instruments (e.g. fee bate)
        - Information (e.g. labeling)
- **Propose and Communicate National Plan**
    - Drafting of plan
    - High Level consultation
    - Presentation to relevant government agencies

II. Implement

- **Continued Support for National Discussions on Fuel Economy**
        - Sustained political pressure and lobbying for fuel economy
- Introduction of Draft Plans to National Committee(s), Working Groups
- Adoption into National Policy
- Adoption into Law, Official Gazette
- Development of Standard by Standards Body

III. Monitor

GFEI:

Technical Expertise

Financial Support

Global Networking

Example: FYR Macedonia

May 2015 – January 2018

- o Refine national baseline (done)
- o Projections: Fuel Economy Policies Impact Tool (FEPIt)
- o National training and study tour
- o National working sessions, evaluation of policy options
- o Policy proposal
- o Subregional participation

Example National Project Timeline

❑ Project Work Plan at signing

❑ Year 1: contracts, baseline, data

❑ Year 2: policy development

❑ Year 3: regional replication

Midterm review of GEF 5 project: end 2015/early 2016

Progress

- **Mauritius: baseline and average fuel economy up to 2013 completed, CBA done, policy recommendations done: national CO2 Bill (excise duty/rebate system for imports)**

- **Peru: baseline and data 2006-2012, Strategy for Cleaner and More Efficient Vehicles presented to government**

- **Ivory Coast**: baseline estimated using 2008 data

- **Jamaica**: MOU with Ministry of Water, Land, Environment & Climate Change, SSFA with University of Technology, launch national meeting planned for last week of July

- **FYR Macedonia**: baseline completed (2005, 2008-2013), in revision

- **Montenegro**: baseline (2007-2012), to be updated with new data

Progress

- **Georgia:** baseline (2008-2012), white paper on taxation submitted to government

- **Russia:** first national fuel economy seminar 2014

- **Algeria**: baseline complete. FE labeling proposal

- **Uganda**: Baseline and analysis completed by the University of Makerere. Looking at including fuel economy in NAMA.

- **Benin**: Baseline calculation and trend on-going

- **Costa Rica:** baseline data collection almost complete

- **Uruguay**: baseline complete, data until 2012. Have presented results to working group and stakeholders. Labeling scheme and policy development with CMMCh.

…

Africa Fuel Economy Levels

Global	2005	2008	2011	2013
Average (l/100km)	8.07	7.67	7.2	7.1
OECD Average	8.1	7.6	7.0	6.9
Non-OECD Average	7.5	7.6	7.5	7.2

Algeria	2005	2008	2013
Average (l/100km)	7.5	7.4	7.0

Mauritius	2005	2013
Average (l/100km)	7.0	6.6

Ethiopia	2005	2010
Average (l/100km)	8.4	7.9

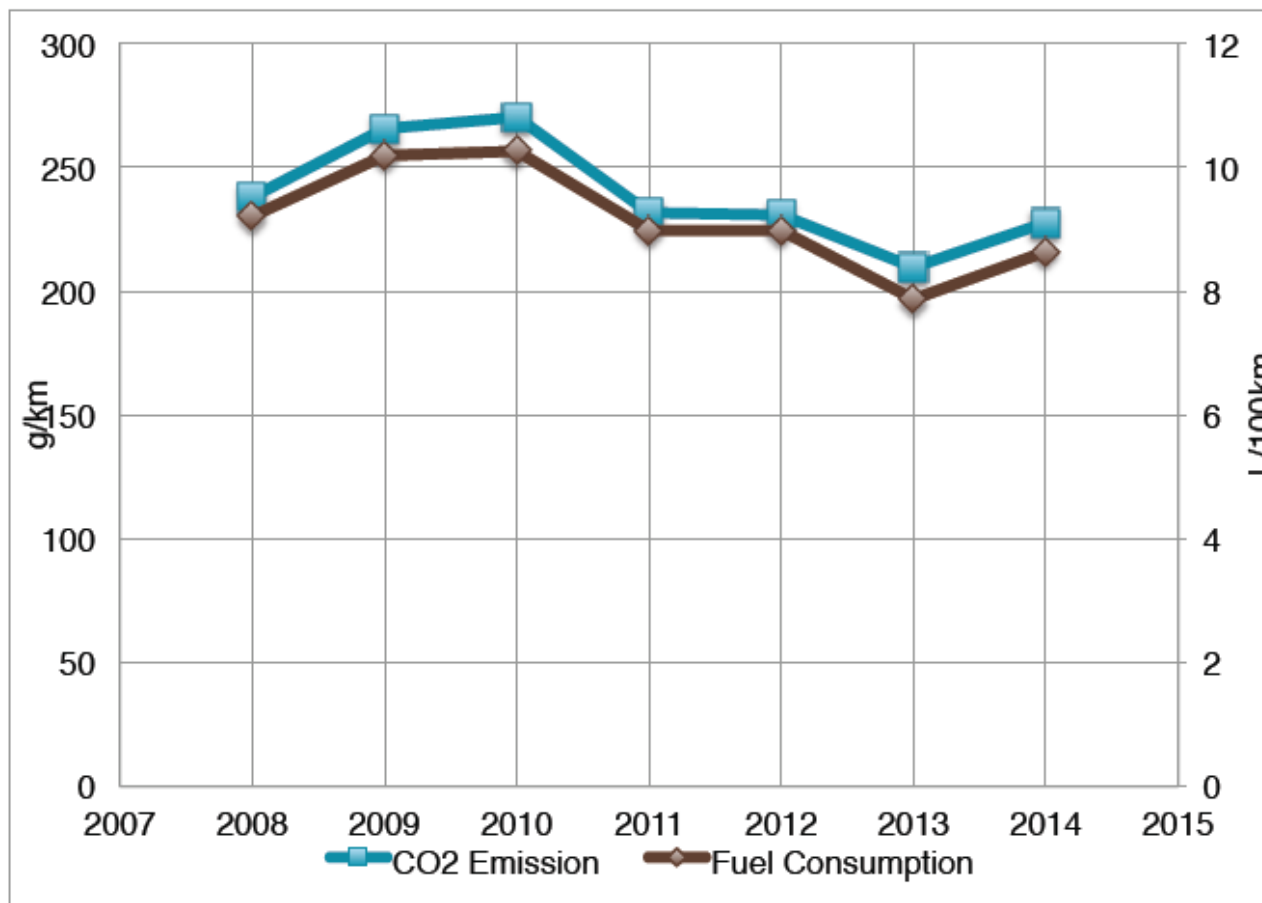| Kenya	2005	2012
Average (l/100km)	7.69	7.7

Cote d'Ivoire (ICCT)

Figure 5.4. Trends for fuel consumption and CO₂ emission of top selling vehicles (in 2013) from 2008 to 2013

- GEF 6 national consultations
- July 1, 2014 - June 30th 2018
- Indicative STAR* allocations:

https://www.thegef.org/gef/STAR/GEF6_country_allocations

* GEF/C.46/05/Rev.01, Proposal for the
System of Transparent Allocation of Resources (STAR) for GEF-6

Thank you

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		2005	2008	2011	2013	2030
OECD average	average fuel economy (Lge/100km)	8.6	7.9	7.3	6.9	
	annual improvement rate (% per year)	-2.7%			-2.6%	
			-2.6%			
Non-OECD average	average fuel economy (Lge/100km)	7.3	7.4	7.3	7.2	
	annual improvement rate (% per year)	0.5%			-0.9%	
			-0.2%			
Global average	average fuel economy (Lge/100km)	8.3	7.7	7.3	7.1	
	annual improvement rate (% per year)	-2.3%			-1.8%	
			-2.0%			
GFEI target	average fuel economy (Lge/100km)	8.3				4.2
	required annual improvement rate (% per year) — 2005 base year			-2.7%		
	required annual improvement rate (% per year) — 2014 base year			-3.1%		

Source: GFEI 2014 International Fuel Economy Comparison,
http://www.globalfueleconomy.org/Documents/WP11_IEA_report_update_2014.pdf