**MANAGEMENT RESPONSE**

**Mid-Term Review**

**Green Technology Application for the Development of Low Carbon Cities (GTALCC) Malaysia**

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| **Recommendation 1:**For Outcome 1, The National Low Carbon Cities Masterplan (NLCCMP) & Policy Roadmap (PRM) must be based in the climate change division of the Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC). As discussed during stakeholders’ engagement, ownership of this document should be shared with PLANMalaysia and Ministry of Housing and Local Government (KPKT). The state government should also set up a climate change division to oversee the implementation of low carbon development plans/programs. The GTALCC project can play an important role in ensuring that the low-carbon agenda is properly reflected in the 12th Plan. |
| **Management Response:** Management accepts the recommendations under Outcome 1. Arrangements are underway to finalize the institutional structure of the Masterplan which will be hosted by MESTECC, KPKT and the Ministry of Federal Territories. The GTALCC project has provided inputs to the 12th Malaysia Plan process to highlight the importance of low carbon cities and several priority strategies which can be adopted in the 12th Malaysia Plan period. |
| **Key action(s)** | **Time frame** | **Responsible Units** | **Tracking** |
| **Comments** | **Status** |
| Institutionalization of the National Low Carbon Cities Masterplan with the relevant ministries and at the state level. | December 2020 | MESTECC and project team | Arrangements are made to have the National Low Carbon Cities Masterplan fully institutionalized within the Ministry of Environment and Water (previously known as the Ministry of Energy, Science, Technology, Environment & Climate Change, MESTECC), in close coordination with the Ministry of Housing and Local Government and the Ministry of Federal Territories. The project had also recommended in the National Low Carbon Cities Masterplan for a climate change/ low carbon unit within the state government. | In progress |
| Integrate the low-carbon agenda into the 12th Malaysia Plan | June 2020 | MESTECC and project team | A joint UN Policy Paper was prepared, led by UNDP with UNIDO and UNEP as contributors. One section of the Policy Paper was dedicated to empowering cities for climate action and green growth, which featured learnings and insights from the GTALCC project and its deliverables such as the Low Carbon Cities Masterplan and the Institutional Framework for Low Carbon Cities. Low carbon city inputs were also reflected in the IP's submission on 12th Malaysia Plan recommendations to the Economic Planning Unit. Initial drafts of the 12th Malaysia Plan (currently still under development) in Q2 2020 shows a strategy being dedicated to cities and climate action. | Completed |

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| **Recommendation 2:** For Outcome 2, as part of the National Low Carbon Cities Masterplan (NLCCMP) & Policy Roadmap (PRM) and Institutional Framework formulation, to have a detailed look how this inter-sectoral and inter-departmental coordination for low-carbon planning and actions can be best implemented to guarantee a longer-term impact, and how carbon-relevant funding (inter-sectoral and in cooperation with the private sector) can be mobilized in an optimal way.  |
| **Management Response:** The recommendation under Outcome 2 is welcomed by UNDP Malaysia and partners. The National Low Carbon Cities Mastereplan and the Institutional Framework Study on Low Carbon Cities have highlighted mechanisms to strengthen inter-sectoral and inter-departmental coordination for low-carbon planning including how funding can be mobilized.  |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 2.1 As part of the National Low Carbon Cities Masterplan and the Institutional Framework on Low Carbon Cities Study, ensure that governance, coordination and mobilization of funding for low carbon planning are integrated within the recommendations. | June 2020 | MESTECC & Project Team | This recommendation has been addressed in the National Low Carbon Cities Masterplan and the Institutional Framework Study. The National Low Carbon Cities Masterplan highlights a proposed governance structure for low carbon cities. In 2020, the project will support closer inter sectoral and inter department coordination for low carbon planning and development. | Completed |

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| **Evaluation Recommendation 3.** For Outcome 3, the Project Document in Output 3.1 of Component 3 indicates GTALCC support to selected on-going low-carbon investments by cities (Iskandar Malaysia Bus Rapid Transit, Putrajaya cycleway; Cyberjaya waste intervention) or proposed by (public or private) companies, such as electric vehicles (e-buses, e-cars, e-bicycles). However, the time frame of these investments has changed (such as the Iskandar Malaysia Bus Rapid Transit) or the GTALCC priorities in low-carbon investments has changed (e.g. electric vehicles and charging infrastructure is also addressed by other national and donor-supported initiatives). The new investments hinted at in Output 3.2 tend to be city-oriented, which as such is understandable in a project that promotes city involvement in low-carbon planning and project implementation. However, such investments also tend to be city-level; some may be replicated to other cities, but otherwise the longer-term impacts may be limited. This has led to some re-thinking by the Project Team on the technology focus of Component 3, in which GTALCC is positioned as addressing ‘niche areas. One such as area is the use of bio-CNG replacing diesel in (public) transportation. The MTR Team fully endorses this creative way forward, in which a number of new (city- and national-level) initiatives have been proposed. As a new project activity, the GTALCC project is contemplating to carry out a pilot to proof the bioCNG-for-transport concept, in cooperation with a bus operator and Gas Malaysia/Sime Darby Energy. The option of bio-CNG lends itself to a type of public-private partnership that the project tries to promote, in which national government (Ministry of Transport and agencies), companies (bus operator, palm oil companies, the distributor GasMalaysia), and local governments participate. The Project Team is contemplating to support a pilot project with about 10 bio-CNG buses. It would have been nice if this could be done with the IM-BRT, which is still in the design stage. A successful pilot may entice IM-BRT management to incorporate bio-CNG buses in their lines and acquire bio-CNG buses on a larger scale in future BRT expansion works.We recommend that, apart from comparing the pros and cons of bio-CNG vs. electric buses vs. diesel-fuelled buses, GTALCC looks further into the techno-economic issues and options regarding the production of bio-CNG from methane recovered from palm oil waste, as well as from wastewater treatment facilities and landfills (incl. cost of installation of CNG-quality upgrading facilities and required economy of scale). This could be part of a wider analysis of waste management (reduce, recycle, re-use, separate), waste-to-energy options (for electricity generation of bio-CNG production) and the role of cities, State governments and private sector.Another idea mooted is the installation of solar PV on rooftops of government buildings and installation on covered parking space and walkways (with solar PV installed on top). If designed in the right way, the additional cost of covering open parking spaces and walkways could be recovered by the sale of electricity to the grid. We recommend that the Project Team studies the issues, options, costs, and benefits and explores the possibility of setting up a pilot project in Putrajaya (covering parking spaces) or with one of the MRT or BRT stations (e.g. covering walkways that interconnect the BRT or MRT with other public transport modes).Regarding the latter, inter-modal connectivity can often be problematic. If people cannot get from A to B using various transport modes (BRT, MRT, bus, walking, cycling, car park options at connection points) in a reasonable time, they will avoid it, even if the mass transport system itself is very effective). The GTALCC should look into options on how to improve inter-modal connectivity.  |
| **Management Response:** Management agrees with the recommendations that under Component 3, there have been several planned initiatives which were outlined in the Project Document, however the time frame of the investments or priorities of the government have changed. Efforts have been made to update and streamline initiatives, especially on demonstration projects, to ensure that these initiatives deliver maximum benefits, are leveraged on government initiatives and are most relevant to current priorities.For the recommendation to explore a pilot on bioCNG, the project is now focusing on the piloting of a B100 bio fuel programme with MRT Corporation’s feeder bus fleet operated by Prasarana’s RapidBus. The key stakeholders i.e. Ministry of Primary Industries, Malaysia Palm Oil Board and the industry players i.e. Scania are on board for this programme. Given that the focus is now on B100 biofuel due to a policy direction on biofuels and keen interest from key stakeholders, the recommendation of the MTR reviewers to look into bio-CNG buses and will instead focus on a B100 biofuel pilot. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| To refocus the technology component of Component 3 in the light of changing timeframes and priorities | December 2019 | Project Team, MESTECC, UNDP | Outputs and targets have been streamlined in the project logframe based on MTR recommendations | Completed |
| To implement a B100 biofuel pilot project and explore possible synergies with the Iskandar Malaysia Bus Rapid Transit which is in the design phase | December 2020 | Project Team | The project is initiating the implementation of a pilot B100 biofuel project involving 10 buses under MRT Corporation operated by Prasarana’s Rapidbus, and is looking at promoting the use of B100 biofuel buses or other low carbon buses to be implemented for the Iskandar Malaysia Bus Rapid Transit (IM BRT) system, supported through the current peer review exercise for the IMBRT undertaken by an international expert. | In progress |
| The project team to study the issues, options, costs and benefits and explore the possibility of setting up a pilot project on solar PV on covered parking spaces and walkways in Putrajaya, or one of the MRT or BRT stations | December 2020 | Project Team, SEDA | The project is working on the following solar projects as pilot projects: --Solar PV for Mass Rapid Transit (MRT) Corporation Facilities -Solar PV bundle programme for Petaling Jaya City Council's (MBPJ) Residential Area Rooftops -Solar PV for Ministry of Housing and Local Government's (KPKT) Parking Complex (proof of concept for the installation of solar PV at Multi Storey Carpark to supply power to KPKT building at Precinct 4, Putrajaya)A consultant has been hired to do in depth analysis, provide technical facilitation, formulate business proposals and carry out the detailed design and construction supervision for these projects. | In progress |
| To explore improving intermodal connectivity for transport modes (BRT, MRT, bus, walking etc) | December 2020 | Project Team | On the first and last mile connectivity, the project is pursuing for a dedicated on-road bicycle lane in collaboration with the city of Putrajaya. The initiative will connect Putrajaya Sentral (a public transportation hub) to the heart of the administrative centre of Putrajaya. This will be a showcase of first and last mile connectivity for a city. | In progress |

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| **Recommendation 4:** The table of outcomes-outputs-activities and indicators needs to be updated to reflect the changes that have occurred since project design in 2013-15 and to have outcome indicators that more realistically reflect the impact of the Project’s actions rather than those of project partners. The MTR Team has made a revised logical framework (in discussion with UNDP CO and Project Team) that is presented in the Mid Term Review Report. We recommend that this is discussed at the National Steering Committee level and considered for further progress reporting and work planning.At the time of conceptualization, the project was not designed to target women and girls specifically. The project should now make a gender strategy and action plan. This should include collecting a wider range of gender disaggregated data to be used for future analysis and planning for the advancement of gender equality and women empowerment. Another suggestion is to have a workshop on gender and climate change to strengthen the agenda of women participating as implementers and beneficiaries of low-carbon projects.Although the original Project Document included contracting a Chief Technical Advisor (CTA) for a 3-year period, the CTA) was not contracted until mid-2018 and only for half a year. We noted that the CTA position has allowed making valuable contributions and to be able to follow up and give good guidance on the recommended actions, we propose that the position of CTA is extended at least into 2020. |
| **Management Response:** Management agrees with the recommendations for project implementation and adaptive management. Following the preliminary recommendation from the MTR reviewers that the project logical framework should be revised, UNDP, MESTECC, SEDA and the project team has developed an updated version of the logical framework which has been incorporated into the final version of the MTR report, and subsequently discussed and adopted at the technical working committee and national steering committee levels. |
| **Key action(s)** | **Time frame** | **Responsible unit(s)** | **Tracking** |
| **Comments** | **Status** |
| 4.1 To revise project logframe and have it discussed at National Steering Committee level | December 2019 | Project team, MESTECC, UNDP | The revised project logframe, which has been included into the MTR report, has been discussed and approved at the Project Technical Working Committee and National Steering Committee levels. The revised logframe has been used in the Progress Implementation Review (PIR) 2019 reporting and in the regular UNDP Country Office progress reporting for 2019. | Completed |
| 4.2 To consider strengthening gender dimensions of project  | December 2020 | Project team | Project to strengthen gender considerations by assisting in developing gender disaggregated data and organizing a workshop on gender and climate change | In progress |
| 4.3 To extend the Chief Technical Advisor position | June 2020 | Project team, MESTECC, UNDP | The CTA position has been extended for another 6 months following the recommendations of the MTR reviewers until December 2019, upon discussion with the project implementing partner. | Completed |