UNEP GEF PIR Fiscal Year 2021

1 July 2020 to 30 June 2021

Select Project: 10141 Nigeria Electronics

1- Identification

1.1 Project details

GEF ID		10141	Umoja No:		SB-012761
Project Title		Circular Economy approaches for the electronics sector in Nigeria			
Duration months	*Planned*	36	GEF financing amount		USD 2,000,000
	Extension	-	Co-financing amount		USD 13,086,582
Division(s) Implementing the project		Economy Division, GEF Chemicals and Waste, Chemicals and Health Branch	Date of CEO Endorsement		7-Mar-19
Name of co-implementing Agency		-	Start of Implementation		20-May-19
Executing Agency(ies)		National Environmental Standards and Regulations Enforcement Agency of Nigeria (NESREA)	Date of first disbursement		1-Jun-19
Names of Other Project Partners		UNEP Resource and Market Branch	Total disbursement as of 30 June		USD 1,018,356
Project Type		MSP	Total expenditure as of 30 June		USD 634,028
Project Scope		National	Expected Mid-Term Date		15-Nov-21
Region *(delete as appropriate)*		Africa	Completion Date	*Planned*	30-Nov-22
Names of Beneficiary Countries		Nigeria		*Revised*	-
Programme of Work		PoW 5: Chemicals, waste and air quality	Expected Terminal Evaluation Date		30-Dec-22
GEF Focal Area(s)		Chemicals and Waste	Expected Financial Closure Date		1-Dec-22
EA: UNSDCF/UNDAF linkages		Outcome 9, Indicator 2 on hazardous waste management (Nigeria UNSDPF 2018-2022)			
EA: Link to relevant SDG target(s) & indicator(s)		SDG target (1.5.2) & 12 (indicators 12.4.1, 12.4.2, 12.5.1)			

1.2 Project description

Strengthen the sound management of electrical electronic waste through better control, and reduction and/or elimination. The primary objective is that Nigeria adopts a financially self-sustaining circular economy approach for electronics and reducing the release of global pollutants such as POPs etc. Component 1: Implementation of the EPR programme, Component 2: Collection of 300 tonnes of e-waste through formalized collection channels, Component 3: Development of cost effective recycling and disposal systems, Component 4: Regional and Global knowledge exchange on circular economy model.

2- OVERVIEW OF PROJECT STATUS

2.1 UNEP PoW

UN Environment Subprogramme(s)	Subprogramme 5: Chemicals, waste and air quality	Specify the relevant Expected Accomplishment(s) & Indicator(s)	PoW 5: (a) (i) (ii) and (b) (i) (ii)
TM: Progress towards delivering the stated PoW	Nigeria has gazetted the Extended Producer Responsibility guidance, and has started enforcement actions including notifications to companies and integrating the requirements into other regulatory mechanisms such as the Standards Organization of Nigeria and customs procedures for importers.		

2.2. GEF Core Indicators

GEF Core Indicators	Reduction, disposal/destruction, phase out, elimination and avoidance of chemicals of global concern and their waste in the environment and in processes, materials and products (metric tons of toxic chemicals reduced)	-
Indicative expected Results	300 metric tonnes of POPs and mercury containing wastes	-

TM: GEF core indicators targeted by the

Indicators	Expected value at	
	Mid-term	End-of-project
9.1 Solid and liquid POPs removed or disposed		3 tonnes PBDE
9.2: Quantity of mercury reduced		30 tonnes of CRT lead glass
9.4: Number of countries with legislation and policy implemented to control chemicals and waste		1
9.6: Quantity of POPs/Mercury containing materials and products directly avoided		300 tonnes
11: Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment		100 informal collectors (30% Female)

2.3 Impl status & risk*

TM

	PIR #	Rating towards outcomes	Rating towards outputs	Risk rating
FY 2021	2nd	S	S	M
FY 2020	1st	S	MS	M

Summary of status.

The Government of Nigeria and Producers have finalized and are jointly implementing the Extended Producer Responsibility (EPR) legislation for the electronics sector. Under Component 1 on regulations, the project has achieved the issuance of the regulatory guideline, the development of the 'black box' for registering producers, and has completed training for regulators, collectors, and producers and is delivering the project communication strategy. It has additionally identified the need to update the national Electronics and Electrical Equipment (EEE) regulation and has initiated this process.
Under Component 2 and 3 on collection and recycling pilots, the project has completed market assessments and a procurement process and identified 30 collection sites suitable for the collection pilot. A partnership is initiated with ILO who are providing additional cofinance to the project by adapting a training modules package for informal workers in the electronics sector, which will be rolled out during the collection and recycling pilots.
The project has initiated the procurement process for the recycling pilots, prequalifying 2 eligible contractors in Lagos State for upgrade of their facilities, but this output is delayed, in part due to the challenges of covid lockdowns limiting the recyclers operations.

*section will be uploaded into the GEF Portal

2.4 Co-finance

EA: Planned Co-finance (total only)

USD 13,086,582

EA: Actual to date:

4,317,339.39 as at June 2021

EA: Justify progress in terms of materialization of expected co-finance. State any relevant challenges.

The co-finance has been coming in based on the timelines agreed. There has been no challenges so far. Cofinance from the recyclers has not yet been reported, will be included in next year cofinance once recycling pilots are underway. Additional cofinance has been identified from GIZ and ILO and another recycler, and will be reported in the next period.

EA: Stakeholder engagement (will be uploaded to GEF Portal)

Inception meeting, first Project Steering Committee meeting, second Project Steering Committee meeting and expert review of the draft guidance document for the implementation of the Extended Producer Responsibility (EPR) programme for the Electrical /Electronics Sector in line with Circular Economy. The Technical Assistance being provided by UNEP has ensured consultation and input from the European WEEE Forum and other global stakeholders.

EA: Gender mainstreaming (will be uploaded to GEF Portal)

Gender Consultant engaged and has developed Tools for survey on Gender and Electronic Sector in Nigeria including engagement with key stakeholders such as NGOs, Government, Formal and Informal Sectors (value chain). A gender-specific training module was prepared and delivered to the training participants in November 2020.

EA: Environmental and social safeguards management (will be uploaded to GEF Portal)	The Gender consultant is responsible for ensuring the social and labour safeguards and these are clearly set out in the EPR guidance. Components on collection and recycling pilots have not yet started but will be rolled out in line with the risk management plan. A training module specifically for informal workers is being provided to the project by ILO as a cofinance contribution, with close cooperation with the project gender and capacity building consultants to pilot and deliver the modules to informal workers during the collection pilots. This will further strengthen the initial gender training module delivered in November 2020 to the national regulators, collectors and producers.
EA: Knowledge activities and products (will be uploaded to GEF Portal)	A Capacity Building Consultant has been engaged to provide trainings for Government and value chain, with a training completed for 90 participants in November 2020 (20% female). A global press story of the launch of the project (see below) was instrumental in bringing new partners and stakeholders to the project. The project communication strategy is being implemented including radio jingles and media stories regularly provided.
EA: Stories to be shared (will be shared with UNEP &GEF communication division)	The project was selected for a GEF Secretariat Good Practice Brief and webinar in 2021, highlighting the partnership with the private sector. These can be found at https://www.thegef.org/publications/good-practice-brief-finding-solutions-electronic-waste-private-sector-and-multi

*section will be uploaded into the GEF Portal

Selected Project: 10141

Nigeria Electronics

3. RATING PROJECT PERFORMANCE

3.1 Rating of progress towards achieving the project outcomes

Project objective and Outcomes	Indicator	Baseline level	Mid-Term Target	End of Project Target	EA: Summary by the EA of attainment of the indicator & target as of 30 June	TM: Progress rating
Objective						
Nigeria adopts a financially self-sustaining circular economy approach for electronics	Tonnes of recyclable material which are recovered and re-entering the value chain locally and internationally.	0 tonnes	None	10.8kg of precious metals, 150 tonnes common metals, 90 tonnes plastics re-enter value chain from 300 tonnes of e-waste	On track to achieving this target. Recycling contracts to be issued from August, 2021.	**MS**
	Tonnes of hazardous fractions from e-waste which are safely disposed of, treated or channeled to appropriate treatment facilities	200 tonnes recycled in 2017 by 2 registered recyclers	None	30 tonnes CRT lead glass and 3 tonnes of other hazardous fractions	On track to achieving this target. Recycling contracts to be issued from August, 2021.	**MS**
Outcome 1						
The electronics sector recovers and reintroduces usable materials into the value chain and disposes of hazardous waste streams in an environmentally sound manner.	Number of e-waste producers registered in PRO	8 registered producers	20	150	47 registered producers, while 7 have renewed their annual registration for the year 2021.	**S**
	Amount of levy collected by PRO	None			MTN contributed financially to the PRO in the early stages, however in recent times, a flat administrative fee is charged across board for all Producers	**MS**
	Number of collection channels and points created within the EPR	No known official number	30 to be created	30	30 collectors in Lagos identified to be issued contracts in Sept 2021.	**S**
	Number of collectors gaining employment in the formal sector or with improved conditions in the informal (male/ female)	No known official number	30 formal, 300 informal	100	25 informal collectors attended the training in Nov 2020 (only 1 female). Minimum of 300 are targeted via the collection pilots, with 10 attached to each collector.	**S**
	Amount of e-waste safely collected at ESM facilities	54 tonnes	54 tonnes	300 tonnes	No figures yet as collection contracts yet to be issued.	**MS**
	Number of recycling centres established for ESM treatment enforcing EHS standards	2	2	2	2 recyclers identified for upgrade, Request for Proposal to be issued and contracts issued by Q3. This is delayed according to the 2021 workplan	**MU**
	Number of formal recycling workers gaining employment (male/ female)	NIL	NIL	50	Currently combined staff strength from identified recyclers is 33, to be increased during the recycling pilots	**MU**
	Tonnes of e-waste collected and hazardous components safely stored pending disposal	5 tonnes	5 tonnes	33 tonnes	No figures yet for this. By the end of the project 300 tonnes will be collected.	**MU**

	Number of global companies financially supporting establishment of PROs in Africa	4	4	4	Ongoing engagement of Alliance founding member companies on ensuring effectiveness of EPRON as a regional model. Case study included in ITU toolkit on EPR.	**MS**
	Number of users accessing success cases via the KM platform	NIL	NIL	5	KM platforms established (SAICM & UNEP Circular Economy). User statistics will be reported in the next period.	**MS**

3.2 Rating of progress implementation towards delivery of outputs

Output	Expected completion date	Implementation status as of 30 June 2020 (%)	Implementation status as of 30 June 2021 (%)	EA: Progress rating justification, description of challenges faced and explanations for any delay	TM: Progress rating
Under Comp 1					
1: The Government of Nigeria and Producers jointly implement the Extended Producer Responsibility (EPR) legislation for the electronics sector	Sep-21	53% completed with 47% pending.	93%	The EPR guidance was finalized. An extra update is underway for the Regulation for the EE Sector currently with the Federal Ministry of Justice for "Franking" Black box database system finalized in coordination with EPRON. Communications and training events completed, including trainings for regulators, collectors and producers in Nov 2020 with 90 participants over 1 week.	HS
2: 300 tonnes of e-waste are collected through formalized collection channels that minimize environmental and health impacts	2022	29%	40%	Feasibility and Market disposal study successfully carried out as well as due diligence for prospective sites. Procurement for 30 collection sites conducted and selection of companies made. Final contracts still pending, plus training of informal workers (Nov 2020). Partnership with ILO to provide training manual as additional cofinance for the project.	S
3: Develop cost-effective recycling and disposal systems for various e-waste categories	Nov. 2021	0%	20%	Levy and Market disposal consultants have commenced work. Market study report received and reviewed. Procurement initiated for recycling pilots, with prequalification of 2 companies	MU
4: Regional and global knowledge exchange on Circular economy models for the electronics sector		Not reported	30%	The regional report on circular economy for electronics in Africa was developed and peer reviewed, release planned in Q3 2021. Global UNEP report on electronics for 2022 will focus on this and SAICM electronics project results. 3 regional outreach events held, including 1 in the last year by UNEP and GIZ on e-waste management in Africa (StEP webinar, Sept 2019; World Resources Forum workshop - Oct 2019; West African Clean Energy & Environment Exhibition & Conference (WACEE) Sept 2020). Project presented on SAICM knowledge platform and UNEP circularity platforms. https://chemicalswithoutconcern.org/project/circular-economy-approaches-electronics-sector-nigeria and https://buildingcircularity.org/electronics/. The project featured in PACE "The Circular Economy Action Agenda for Electronics" and in ITC draft toolkit on EPR. Regular coordination with international partners (alliance of international producers, GIZ, PACE, Netherlands Consulate in Lagos), including approaching international manufacturers to register with EPRON.	S
Under Comp 2					
Ongoing monitoring and evaluation of project results	Is continuous	0%	0%	The project has completed all reporting and monitoring as required, including regular Project Steering Committee meetings.	S

Selected Project: 10141
Nigeria Electronics

Table A. Risk-log

Implementation Status 2nd

Risk	Risk affecting:	Risk Rating			Variation respect to last rating	
	Outcome / outputs	CEO ED	PIR 1	PIR 2	Δ	Justification
Producers do not invest to establish the PRO	Output 1	High	M	M	=	More producers have signed into the EPR programme since the legal obligation was established in 2020. However voluntary compliance is unlikely to suffice.
No-one contributes financially to the PRO in early stages (levy being collected to subsidize the system)	Output 1	High	M	L	↓	Risk was addressed including by MTN support to the PRO in the early stages, however in recent times, a flat administrative fee is charged across board for all Producers
Levy and other revenues are not ringfenced for disposal of hazardous waste fractions separated and stored for final disposal	Output 1	High	L	L	=	Establishment of independent PRO through the EPR legislation will ensure ring-fenced funds.
Market fluctuation causing the rising cost of collection and recycling	Output 2 and 3	Medium	S	H	↑	The high rate of inflation in the country as a direct effect on collection and recycling costs.
Informal sector workers livelihoods are threatened by formalization of the recycling system (included in ESERN)	Output 2 and 3	Medium	L	M	↑	ILO partnership is well established as per the 2020 PIR Action Plan. Initial discussions underway with WHO as well, to be further developed in 2021/2022. However as the collection pilots will be rolled out in 2021/2022,this risk needs careful monitoring
Not sufficient interests exist to develop and implement circular economy in Africa	Output 4	Medium	L	L	=	African Circular Economy Alliance regional network and governments and private sector are expressing interest.
The circular economy takes much longer time to shape and develop (beyond the project timeline)	Output 4	Medium	M	M	=	Covid has affected the development and exploration of emerging initiatives on the circular economy during project lifetime.
The hazardous materials and components collected in the project are not properly stored or disposed of (included in ESERN)	Output 3	Medium	M	M	=	recyclers have been prequalified based on requirement for formal license including storage facilities for hazardous fractions pending export for disposal
-		-				
Consolidated project risk		-		**M**		This section focuses on the variation. The overall rating is discussed in section 2.3.

Table B. Outstanding medium & high risks

*List here only risks from Table A above that have a risk rating of **M or worse** in the **current** PIR*

Risk	Actions decided during the previous reporting instance (PIRt-1, MTR, etc.)	Actions effectively undertaken this reporting period	Additional mitigation measures for the next periods		
			What	When	By whom

Market fluctuation causing the rising cost of collection and recycling	N/A	Setting achievable targets based on available budget	Removal of product categories that are expensive to collect, yet with minimal hazardous fractions (eg LED), based on financial proposals by collectors during procurement bids.	Jul-21	EA
Producers do not invest to establish the PRO	NESREA will collaborate with all relevant MDAs to ensure that producers subscribe financially to the EPR programme.	Initial compliance measures taken (letters, notifications, etc). Negotiations established with SON and customs to embed EPR requirements in procedures.	Finalization of EPR Enforcement Plan as part of the revised EEE Regulation and implementation, including regular reports	Dec-21	NESREA
			UNEP to support NESREA via global networks (PACE, SAICM, private sector partnerships) to encourage voluntary compliance by global brands & their local distributors	Dec-21	UNEP
Informal sector workers livelihoods are threatened by formalization of the recycling system	Engage ILO and WHO country offices to learn from best practices	ILO partnership preparing a training manual for collection pilots	Project to ensure roll-out of the ILO training modules systematically during the collection pilots & monitor impacts	By Mar 2022	EA (gender consultant) and ILO
The circular economy takes much longer time to shape and develop (beyond the project timeline)	NESREA will work at National level, while UNEP will work at international level to generate the necessary interest to drive engagement.	West Africa Circular Economy & World Resources Forum events held in 2019/2020.	Further events at regional level, including promotion of the regional circular electronics report under finalization by UNEP	Oct-21	UNEP

High Risk (H): There is a probability of greater than 75% that **assumptions** may fail to hold or materialize, and/or the project may face high risks.
Significant Risk (S): There is a probability of between 51% and 75% that **assumptions** may fail to hold and/or the project may face substantial risks.
Medium Risk (M): There is a probability of between 26% and 50% that **assumptions** may fail to hold or materialize, and/or the project may face only modest risks.
Low Risk (L): There is a probability of up to 25% that **assumptions** may fail to hold or materialize, and/or the project may face only modest risks.