

# Enhancing environmental performance in the expanded and extruded polystyrene foam industries in Turkey

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

10082

**Countries**

Turkey

**Project Name**

Enhancing environmental performance in the expanded and extruded polystyrene foam industries in Turkey

**Agencies**

UNIDO

**Date received by PM**

6/30/2020

**Review completed by PM**

5/28/2021

**Program Manager**

Evelyn Swain

**Focal Area**

Chemicals and Waste

**Project Type**

FSP

**PIF**   
**CEO Endorsement**

**Part I ? Project Information**

**Focal area elements**

**1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?**

**Secretariat Comment at CEO Endorsement Request**

The project is aligned with what was presented in the PIF and where it differs there is a strong justification. The project will be able to address a full elimination of HBCD versus demonstrations as was included in the PIF.

**Agency Response**

**Project description summary**

**2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?**

**Secretariat Comment at CEO Endorsement Request**

Yes, the design is appropriate and has been adjusted to fully address elimination of HBCD in the sector.

The M&E plan in Table B needs to be fixed and combine into one component on M&E.

ES, 9/17/20: Comment cleared

Agency Response

08/24/2020:

The M&E plan in Table B has been amended by combining it into one component.

**3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?**

Secretariat Comment at CEO Endorsement Request NA

Agency Response

**Co-financing**

**4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?**

Secretariat Comment at CEO Endorsement Request Co-financing has significantly increased since PIF stage and there has been significant investment mobilized from the private sector.

Agency Response

**GEF Resource Availability**

**5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?**

Secretariat Comment at CEO Endorsement Request

Yes, table D is clear is a cost effective approach.

Agency Response

**Project Preparation Grant**

**6. Is the status and utilization of the PPG reported in Annex C in the document?**

Secretariat Comment at CEO Endorsement Request Yes, PPG status is provided.

Agency Response

**Core indicators**

**7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?**

Secretariat Comment at CEO Endorsement Request Core indicators are the same at PIF and realistic.

Agency Response

**Part II ? Project Justification**

**1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?**

Secretariat Comment at CEO Endorsement Request

Yes, the issues are well elaborated.

Agency Response

**2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?**

Secretariat Comment at PIF/Work Program Inclusion

Yes, the alternative scenario has been strengthened since the PIF.

Agency Response

**4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?**

Secretariat Comment at CEO Endorsement Request

Yes, the project well articulates GEBs.

Agency Response

**7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?**

Secretariat Comment at CEO Endorsement Request

Yes, this and the China HBCD project are the first of it's kind and serve as a model for other countries.

Agency Response

**Project Map and Coordinates**

**Is there an accurate and confirmed geo-referenced information where the project intervention will take place?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**Child Project**

**If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?**

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

**Stakeholders**

**Does the project include detailed report on stakeholders engaged during the design phase?  
Is there an adequate stakeholder engagement plan or equivalent documentation for the  
implementation phase, with information on Stakeholders who will be engaged, the means of  
engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

Yes, there is adequate stakeholder engagement and strong participation from stakeholders including the private sector.

Agency Response

**Gender Equality and Women's Empowerment**

**Has the gender analysis been completed? Did the gender analysis identify any gender  
differences, gaps or opportunities linked to project/program objectives and activities? If so,  
does the project/program include gender-responsive activities, gender-sensitive indicators  
and expected results?**

Secretariat Comment at CEO Endorsement Request

Yes, a gender analysis has been completed.

Agency Response

**Private Sector Engagement**

**If there is a private sector engagement, is there an elaboration of its role as a financier  
and/or as a stakeholder?**

Secretariat Comment at CEO Endorsement Request

Yes, there is significant engagement and financing from the private sector.

Agency Response

**Risks to Achieving Project Objectives**

**Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?**

Secretariat Comment at CEO Endorsement Request

Please provide an analysis of COVID-19 related risks and any potential opportunities.

ES, 9/17/20: COVID risks have been added. Comment cleared.

Agency Response

08/24/2020:

COVID-19 related risks and potential opportunities relevant for the project implementation have been analyzed and included under section 5. Risks to Achieving Project Objectives of the CEO Endorsement.

Three types of risks related to the current pandemic could have an impact on the implementation of the project: i) Project delivery modality; ii) Supply chain and enterprise financial viability; and iii) Potential cluster infection outbreaks in the manufacturing workplaces. The potential impact of these risks on the project and mitigation measures have also been included in the section.

**Coordination**

**Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?**

Secretariat Comment at CEO Endorsement Request

Yes, however the project should also coordinate with the UNIDO implemented HBCD project in China.

ES, 9/17/20: It was clarified that these projects will coordinate. Comment cleared.

Agency Response

08/24/2020:

The project (GEF ID 10163) "Improvement of the environmental performance of the foam sector: Phase out and management of hexabromocyclododecane (HBCD) in

China" has been included among the GEF-funded initiatives that the project in Turkey will be cooperating with under section 6. Institutional Arrangement and Coordination of the CEO Endorsement.

#### **Consistency with National Priorities**

**Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**Knowledge Management**

**Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?**

Secretariat Comment at CEO Endorsement Request

Please provide additional information on the deliverables for the work on knowledge. Additionally the knowledge seems to be centered only on the work of this project, however UNIDO is also working on a similar project in China and as such there needs to be not only the means for these two projects to learn from each other but also a mechanism to extract lessons learned and best practices from both projects so that other countries can benefit from the knowledge developed.

ES, 9/17/20: This has been strengthened. Comment cleared.

Agency Response

08/24/2020:

Knowledge deliverables are listed under the specific paragraphs 62 and 63. Concretely, i) the information assembled on available alternatives in each sector, ii) their application in each sector at a practical level and iii) the utilization of the private public partnership approaches. A centralized website will be used to compile and disseminate the information as well as the results and experiences of the project.

The section 8. Knowledge Management has also been strengthened by updating the cooperation and knowledge exchange with the project in China (ID 10163). As the two projects share a common objective, knowledge exchange and sharing will ensure best use of resources and experiences. Knowledge sharing through different common platforms (common trainings, conferences, discussion/consultative groups, etc.) and cross participation in capacity building and awareness raising will be promoted. This will ultimately allow a proper extraction of lessons learned and best practices that could be beneficial to other countries as well.

#### **Environmental and Social Safeguard (ESS)**

**Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response  
**Monitoring and Evaluation**

**Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?**

Secretariat Comment at CEO Endorsement Request

The M&E plan in Table B needs to be fixed and combine into one component on M&E.

9/17/20: comment cleared.

Agency Response  
08/24/2020:

The M&E plan in Table B has been fixed and combined into one component.

#### **Benefits**

**Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**Annexes**

**Are all the required annexes attached and adequately responded to?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

**Project Results Framework**

Secretariat Comment at CEO Endorsement Request

Agency Response

**GEF Secretariat comments**

Secretariat Comment at CEO Endorsement Request

Agency Response

**06/03/2021**

The project budget table has been incorporated to the CEO Endorsement in its corresponding section (Annex E) as well as a separate file in the uploaded documents section.

04/09/2021

The comment from PPO is acknowledged. The 44,000 USD that were initially allocated under the "Incremental Regulatory Development Staff" category have been redistributed in accordance with the M&E Plan as well as with the GEF rules and regulations among the project staff that will undertake the M&E functions.

The other item under "Incremental Regulatory Development Staff" referred to policy and legal expertise services required to support directly the work to be carried out under outcome 1.2. *"Regulatory capacity support for control and enforcement to sustained HBDC phase out delivered"*. Details can be found in paragraph 30.

In order to avoid confusion, a revised Annex M budget table has been uploaded for review, reflecting the above clarification (120,000 USD shifted to contractual services). The details of such services will be considered and included in the execution agreement between the PEE and UNIDO.

01/19/2021

This response makes reference to the comments received from PPO on 24 November 2020.

*1- Taxonomy is missing.*

Taxonomy was included by UNIDO at the time of the submission. It has been included again in the Portal.

*2- The expected implementation start cannot be meet ? please ask the Agency to amend (otherwise, whenever we run a report, the result of expected implementation start vs. actual implementation start will count against the Agency?s performance)*

The comment is well noted, and the implementation start date has been changed accordingly.

*3- There is no Project Document (please inquire with the Agency of the project document they utilized for internal approval purposes is the same CEO Endorsement request if it is, please dismiss the comment)*

The Project Document is the same CEO Endorsement request. Additionally, there is a pdf version of the CEO Endorsement request and all its annexes that was generated and uploaded as a document.

*4- Budgeted M&E Plan is missing in Portal*

The budgeted M&E Plan has been included at the end of section 9 Monitoring and Evaluation.

*5- All the budget descriptions are the same in each component and in PMC. Although there is a small budget note, it is not explanatory. PPO cannot assess the budget as it is: we need to understand what type of costs are charged to which part of the budget, including PMC, M&E and the Project?s components. Once re-submitted, we will review the budget accordingly.*

The budget has been updated using the new GEF template which gives an overview of the different cost categories in which the components and the PMC are distributed (the document has been uploaded as Annex M). Additionally, a table with the M&E budget distribution was added under section 9 Monitoring and Evaluation.

*6- Gender Equality (comment provided by Gabriella): A gender analysis has been carried out during the PPG phase and the project submission includes a gender action plan. The project has been tagged for expecting closing gender gaps in access to and control over natural resources but there is nothing in the gender action plan or project components or results framework that indicate that this project will do so. Please ask the UNIDO to review the ticked tags and revise accordingly.*

UNIDO acknowledges the comment and the ticked tags under the Gender Equality section have been revised accordingly.

10/14/2020

As discussed, the complete project document including annexes has been uploaded as [CEO\\_Endorsement and Annexes \(GEF ID10082\)\\_Updated\\_09232020](#) with the prefix 'FSP CEO Endorsement document' as well as with the prefix 'Agency project document'.

09/23/2020

As requested, a complete project document that contains all the project information as well as the annexes has been uploaded in one complete document (CEO\_Endorsement and Annexes (GEF ID10082)\_Updated\_09232020). Kindly note that the annex "170008\_HBCD\_Turkey\_CEO Endorsement\_and\_Annexes" has been uploaded by mistake and could not be deleted in the portal. Moreover, please note that the Budget Table, which was annex G in the initial submission, is now referred to as annex F, as per the portal template.

**Council comments**

Secretariat Comment at CEO Endorsement Request The comments from France have been addressed.

Agency Response

**STAP comments**

Secretariat Comment at CEO Endorsement Request STAP comments have been addressed.

Agency Response

**Convention Secretariat comments**

Secretariat Comment at CEO Endorsement Request

Agency Response

**Other Agencies comments**

Secretariat Comment at CEO Endorsement Request

Agency Response  
**CSOs comments**

Secretariat Comment at CEO Endorsement Request

Agency Response  
**Status of PPG utilization**

Secretariat Comment at CEO Endorsement Request The PPG has been adequately utilized.

Agency Response  
**Project maps and coordinates**

Secretariat Comment at CEO Endorsement Request Provided.

Agency Response  
**Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)**

Secretariat Comment at CEO Endorsement Request  
Agency Response

**Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)**

Secretariat Comment at CEO Endorsement Request NA

Agency Response  
**Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)**

Secretariat Comment at CEO Endorsement Request

Agency Response

## **GEFSEC DECISION**

## **RECOMMENDATION**

### **Is CEO endorsement recommended? (applies only to projects and child projects)**

#### Secretariat Comment at CEO Endorsement Request

Not at this time. Some issues need to be clarified.

9/17/20: A complete project document needs to be uploaded with the CEO Endorsement Request submission, there is no fixed format but it does need to contain all of the project information and annexes in one complete document. Also, please use the correct categories and prefixes when uploading the project document.

11/24/2020: The project document has been uploaded and is titled CEO Endorsement and Annexes. PPO has the following comments which need to be addressed:

Project to be returned to the Agency due to:

- 1- Taxonomy is missing.
- 2- The expected implementation start cannot be met ? please ask the Agency to amend (otherwise, whenever we run a report, the result of expected implementation start vs. actual implementation start will count against the Agency's performance)
- 3- There is no Project Document (please inquire with the Agency of the project document they utilized for internal approval purposes is the same CEO Endorsement request if it is, please dismiss the comment)
- 4- Budgeted M&E Plan is missing in Portal
- 5- All the budget descriptions are the same in each component and in PMC. Although there is a small budget note, it is not explanatory. PPO cannot assess the budget as it is: we need to understand what type of costs are charged to which part of the budget, including PMC, M&E and the Project's components. Once re-submitted, we will review the budget accordingly.
- 6- Gender Equality (comment provided by Gabriella): A gender analysis has been carried out during the PPG phase and the project submission includes a gender action plan. The project has been tagged for expecting closing gender gaps in access to and control over natural resources but there is nothing in the gender action plan or project components or results framework that indicate that this project will do so. Please ask the UNIDO to review the ticked tags and revise accordingly.

ES, 3/11/21:

Project is returned to the Agency by PPO due to the unresolved comment below:

- The M&E plan allocates \$81,000 for monitoring and verification of project progress and performance (no comment so far on this item) - However, in Budget there is an item namely "Incremental Regulatory Development Staff" that is charging \$120,000 to outcome 1 and \$44,000 to M&E. Please ask the Agency to provide an explanation of this category considering that as it is, it does not match what would be expected to be covered by M&E (will be also useful to understand why this is being charged to outcome 1)

ES, 5/28/2021: Not at this time. PPO has the following comment:

Project to be returned to the Agency due to:

Regarding the comment provided on May 5th, while the Agency says that the \$44,000 USD that were initially allocated under the "Incremental Regulatory Development Staff" category have been redistributed in accordance with the M&E Plan as well as with the GEF rules and regulations among the project staff that will undertake the M&E functions? Unfortunately in this resubmission the budget was not uploaded in Portal, so I cannot observe the modification? Please ask the Agency to upload the amended budget in Portal

ES, 6/3/21: The amended budget has been uploaded into the Portal. CEO Endorsement is recommended.

**Review Dates**

	<b>Secretariat Comment at CEO Endorsement</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>8/13/2020</b>	
<b>Additional Review (as necessary)</b>	<b>9/17/2020</b>	
<b>Additional Review (as necessary)</b>	<b>12/9/2020</b>	

**Secretariat Comment at  
CEO Endorsement**

**Response to  
Secretariat  
comments**

<b>Additional Review (as necessary)</b>	<b>3/11/2021</b>
<b>Additional Review (as necessary)</b>	<b>5/28/2021</b>

**CEO Recommendation**

**Brief reasoning for CEO Recommendations**

This project will promote the replacement of persistent organic pollutants (POP) with environmentally sound alternatives to Hexabromocyclododecane (HBCD) in the extruded and expanded polystyrene (XPS and EPS, respectively) foam industries in Turkey. HBCD is a POP which is used worldwide as a flame retardant in foams. Its primary application is in the manufacturing of XPS and EPS foam boards, which are used for insulation purposes in the building industry. Other uses are upholstered furniture, automobile interior textiles, car cushions and insulation blocks in trucks, packaging materials well as electric and electronic equipment. This project has synergies between the Stockholm Convention and Montreal Protocol, because Montreal addresses ozone depleting substances in these types of foams. This project will deliver Global Environmental Benefits, by phase-out of 770 metric tons of HBCD annually or 110,000 tons of HBCD free foam, and climate benefits of 1,000 metric tCO<sub>2</sub>e over the lifetime of the project.