



# Eliminating hazardous chemicals from supply chains in Ecuador

Review CEO Endorsement and Make a recommendation

## Basic project information

**GEF ID**

11175

**Countries**

Ecuador

**Project Name**

Eliminating hazardous chemicals from supply chains in Ecuador

**Agencies**

UNDP

**Date received by PM**

6/26/2024

**Review completed by PM**

11/14/2024

**Program Manager**

Astrid Hillers

**Focal Area**

Multi Focal Area

**Project Type**

FSP

## CEO

### Part I - General Project Information

#### 1. a) Is the Project Information table correctly filled, including specifying adequate executing partners?

Secretariat comment at CEO Endorsement Request  
(7/25/2024)

1. Please correct the field for region to LAC and replace "Ecuador" in that field.
2. The project sector information field is for CCM projects only. Please remove this information.

(10/11/24)

1. IT confirmed that the country/region fields cannot be changed. Cleared.

#### 2. Still shows as "mixed and others"

(10/30/24)

Addressed

### Agency Response

1. This cannot be altered on the GEF portal. we have requested support from the webmaster
2. Removed.

#### b) Are the Rio Markers for CCM, CCA, BD and LD correctly selected, if applicable?

Secretariat comment at CEO Endorsement Request  
(7/25/2024)

1. Please consider adjusting the Rio Markers in line with GEBs created (e.g. on CCM and land management).

(10/11/24)

**1. Still shows the same as in previous submission.** Please contact GEF IT help if this is a portal issue.

(10/30/24)

Addressed

Agency Response **Adjusted**

**2. Project Summary.**

- a) Does the project summary concisely describe the problem to be addressed, the project objective and the strategies to deliver the GEBs or adaptation benefits and other key expected outcomes?
- b) Does the summary capture the essence of the project and is it within the max. of 250 words?
- c) [If a child project under a program] Does the project summary include adequate and substantive link with the parent program goal and approach?

Secretariat comment at CEO Endorsement Request

(7/25/2024) Yes. Congrats to staying within the word count.

Note: editorial comment only: Please replace "IP 11" with its title throughout the document.

(10/11/24)

Still shows IP 11 - was the wrong version uploaded ?

(10/30/24)

Addressed

Agency Response **Done throughout the CEO Endorsement Request.**

**3. Project Description Overview**

- a) Is the project objective statement concise, clear and measurable?
- b) [If a child project under a program] Is there a project Theory of Change that is aligned and consistent with the overall program goal and approach?
- c) Are the components, outcomes, and outputs sound, appropriate and sufficiently clear to achieve the project objective and the core indicators per the stated Theory of Change?
- d) Are gender dimensions, knowledge management, and M&E included within the project components

and budgeted for?

e) Are the GEF Project Financing and Co-Financing contributions to PMC proportional?

f) Is the PMC equal to or below 10% (for MSP) or 5% (for FSP)? If above, is the justification acceptable?

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. Please provide a concise, clear and measurable project objective (not a para of text).
2. Typo (?): Component 1 to read "Regenerative" not "Regenerate"
3. The M&E cost is high, representing 3.8% of the total GEF Financing. GEF guidelines recommends the average cost of 3% for projects from USD 5 to USD 10 million. Please revise.
4. The PMC represents 5.2% of the GEF Grant. Please request the agency to provide valid justification.
- 5.

(10/30/24)

1. Comment not addressed (the text of the PO is the same as before) in the Endorsement Request in portal. Please use a consistent version of the project objective **throughout the endorsement request and prodoc**, e.g. the results framework (pg. 116 in the UNDP prodoc) lists the project objective as:

*"Promote transformation change in construction (bricks, bamboo, and other construction materials and waste) and fashion (cotton and abaca natural fibers) supply chains by replacing resource-intensive chemical processes and materials with sustainable alternatives and by creating circular and transparent supply chains by eliminating/reducing these negative chemical impacts into the environment in Ecuador."*

2. Addressed.

3. These details on the child projects are not reviewed child project by child project at PFD approval. Child projects are reviewed in detail at endorsement. **Please note the comment from 7/25/24 and address.**

4. Noting above, please **provide a justification for the slightly higher PMC costs above the 5 % standard.** This is required in order to assess and approve it.

(11/12/2024)

1. **Not addressed.** The Project Objective in the Child Project Description Overview in the portal endorsement request is an entire paragraph (same as before). Please ask ITS (Priyanka) for her support if somehow there are portal issues preventing to update this.

3. **Not addressed.** It is still at 3.8% (200,000 USD/5,287396\*100).

4. **This slightly higher PMC of 5.26% is acceptable in this case** as the coordination with other child projects indeed bares some extra effort and the capacities in country in Ecuador require additional FM support effort by project staff.

(11/14/2022)

1. Addressed

3. Addressed.

#### Agency Response

1. **Adjusted accordingly.**

2. **Thank you, done.**

3. **M&E budget was provided by lead agency (UNEP) upon PFD submission and approval**

4. **PMC budget was provided by lead agency (UNEP) upon PFD submission and approval.**

**\* see official PFD submission package which includes detailed budgets for each child project and its components, including M&E and PMC**

(10/30/24)

1. **Adjusted**

3. **M&E budget adjusted.**

4. **The PMC cost represents 5.2% of the total GEF grant, which is slightly higher than the 5% standard. The PMC will contribute to the assurance of adequate implementation of activities in the country, as well as the needed coordination with other Child projects and the Global Coordination Child Project. These figures were notified to the Government of Ecuador and MAATE (the EA) upon PFD and Child project approval. During the design phase, the EA, agency, and consultants, designed the budget based on the figures of the approved Child project.**

1. 11/13/2024

R. We have deleted all the text and re-pasted the project objective. We validated it with the rest of the sections of the CEO ER.

M&E

3. 11/13/2024

R. We apologize. The portal took in two files. We have deleted everything and re-uploaded the updated budget. we have validated that the table. We validated that table B is also showing the updated figure.

#### **4. Project Outline**

##### **A. Project Rationale**

**a) Is the current situation (including global environmental problems, key drivers of environmental degradation, climate vulnerability) clearly and adequately described from a systems perspective and adequately addressed by the project design?**

**b) Have the role of stakeholders, incl. the private sector and local actors in the system been described and how they will contribute to GEBs and/or adaptation benefits and other project outcomes? Is the private sector seen mainly as a stakeholder or as financier?**

**c) If this is an NGI project, is there a description of how the project and its financial structure are addressing financial barriers?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. The Rationale is overall described but in an effort to combine the rationale for both sectors remains at an at times very general level. Please e.g. where possible quantify problems around hazardous substances in both sectors and more specificity in the context of Ecuador on the underlying drivers and root causes. While the two diagrams are aiming to do that both the diagrams and text are rather generic and could do a better effort to provide specifics of the country.

2. Please expand on the role of private sector entities both in the fashion and construction sector both as stakeholders and financiers. Please describe this in the specific context of major players in Ecuador.

3. Please be more specific on the relevance and cooperation with other GEF financed projects. While some are mentioned by title the context/opportunities in cooperation would be useful to make clearer.

(10/30/24)

The comments have been addressed (see prodoc). Addressed.

Agency Response

1. Please, refer to the detailed ToC analysis for both supply chains in Sub-section 2.6 *Barriers to Systemic Transformation in the Target Sectors?* of the Project Document.
2. Adjusted accordingly (marked in red in the main text), both, CEOER and Section IV of ProDoc.
3. Adjusted accordingly (marked in red in Table 14 *Associated Relevant Initiatives?*) on page 97 of ProDoc.

## **5 B. Project Description**

- 5.1 a) Is there a concise theory of change (narrative and an optional schematic) that describes the project logic, including how the project design elements are contributing to the objective, the identified causal pathways, the focus and basis (including scientific) of the proposed solutions, how they provide a robust approach? Are underlying key assumptions listed?**
- b) [If a child project under a program] Is the Theory of change aligned with and consistent with the overall program goal and approach?**
- c) Is there a description of how the GEF alternative will build on ongoing/previous investments (GEF and non-GEF), lessons and experiences in the country/region? [If a child project under a program] Does the description include how the alternative aligns with and contributes to the overall program goal and approach?**
- d) Are the project components (interventions and activities) described and proposed solutions and critical assumptions and risks properly justified? Is there an indication of why the project approach has been selected over other potential options?**
- e) Incremental/additional cost reasoning: Is the incremental/additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12? Has the baseline scenario and/or associated baseline projects been described? Is the project incremental reasoning provisioned (including the role of the GEF)? Are the global environmental benefits and/or adaptation benefits identified?**
- f) Other Benefits: Are the socioeconomic benefits resulting from the project at the national and local levels sufficiently described?**
- g) Is the financing presented in the annexed financing table adequate and demonstrate a cost-effective approach to meet the project objectives? Are items charged to the PMC reasonable according to the GEF guidelines?**
- h) How does the project design ensure resilience to future changes in the drivers and adaptive management needs and options (as applicable for this FSP/MSP)?**
- i) Are the relevant stakeholders (including women, private sector, CSO, e.g.) and their roles adequately described within the components?**
- j) Gender: Does the gender analysis identify any gender differences, gaps or opportunities linked to project/program objectives and activities and have these been taken up in component design and description/s?**
- k) Are the proposed elements to capture and disseminate knowledge and learning outputs and strategic communication adequately described?**
- l) Policy Coherence: Have any policies, regulations or subsidies been identified that could counteract the intended project outcomes and how will that be addressed?**
- m) Transformation and/or innovation: Is the project going to be transformative or innovative? [If a child project under an integrated program] Are the specific levers of transformation identified and described? Does it explain scaling up opportunities?**

Secretariat comment at CEO Endorsement Request

(7/25/2024) Based on the information provided in the document, the project's objectives and activities are consistent with the core principles and priorities of the Chemicals and Waste Focal Area, suggesting adequate alignment.

That said, while the project has several strengths, but there's also room for improvement:

1. Please provide a theory of change that clarifies actions in each sector which will make it easier to illustrate the specific approach in the country.
2. Please be specific on policies and incentives that need to be revised to incentivize change in both sectors. What disincentives exist and how can these be revised. Just as an example: you cite import regulations (among other) but there is no description on what the gaps are and what the projects will address.
3. Editorial: please spell out acronyms when first use throughout (note: a list of acronyms used would be helpful)
4. Component 1: The separation of outputs and activities for each sector in each component is very helpful. Please highlight and name key specific stakeholders the project will work with.
5. Output A2. Please be explicit that capacities and practice in terms of decreased environmental impact as well as workers safety - including men, women and vulnerable groups such as youth and indigenous communities - in both sectors will be addressed. Both sectors include practices with significant health hazards both due to exposure to chemicals but also hazardous working conditions (incl. the abaca production which has lead to attention of Ecuadorian courts and the UN Human Rights Office).
6. Design and implement circular business models in abaca and cotton value chains:
  - please explain what is meant with "repowering" cotton production. Is the aim to increase the production of cotton in country?
  - Please be more clear how circular business models are created via the described activities. It needs to be more clear how these products are more durable and can be reused and recirculated and are not continuing an unsustainable overproduction and consumption stream and one way of use-dispose-downcycle (at best).
7. Gender considerations need to be explicit and described across components:
  - ? The project does intend to include gender-responsive measures, but the specific results areas where these measures will contribute to gender equality are not clearly defined.
  - ? Strengthening the Approach: The project could be enhanced by explicitly outlining how gender considerations have been integrated into the project design. This could include:



- o Developing clear gender-sensitive indicators within the results framework to track progress on gender equality outcomes. Specifically, additional RF indicators to be considered include: number of women accessing commercial lending channels, number of new women led businesses created, number of women and women's organizations involved in decision making processes.

- o Ensuring women's meaningful participation in project activities and decision-making processes.

- o Targeting interventions that address the specific needs and vulnerabilities of women in these sectors.

8. Please in each component be more explicit about who are the actors and how and what impacts will be achievable.

9. What is the baseline of pesticide use in cotton (though understood that most cotton is imported) and abaca production. What actions are anticipated to reduce the environmental impacts e.g. of cotton dyes as there is an emphasis to boost colored cotton production.

10. The aim to safely dispose of clothing containing flame retardants is a stop-gap measure. Are there anticipated avenues the project will support to replace the type of chemicals and fibers used in flame retardant clothing or - where possible and sufficient - switch to lower flammable fibers?

11. Please provide an anticipated timeline for KM&L activities and outputs and summarize this in a simple table including budget. Please distinguish more clearly on communication/outreach to vs. knowledge exchange within and across networks of producers etc. These are not one and the same.

12. Please describe lessons learned from related previous interventions that this project will build on or able to upscale successful demonstration projects.

13. Private Sector Participation:

? The document indicates private sector engagement in the project, but the description and justification of their role are limited. The co-financing table lists several private sector entities, but their specific contributions and how they will be engaged are not fully articulated.

? Strengthening the Approach: The project could benefit from a more robust articulation of private sector involvement. This could include:

- o Clearly defining the roles and responsibilities of private sector partners.
- o Establishing mechanisms for effective collaboration and communication with private sector entities.
- o Exploring opportunities for leveraging private sector expertise and resources to achieve project objectives.

- o Developing strategies to ensure the sustainability of private sector engagement beyond the project's lifespan.

#### 14. Strengthening Policy Coherence

? The project aims to address hazardous chemicals and waste management within the framework of national and international guidelines. However, the document could provide a more explicit analysis of the policy landscape and how the project will contribute to strengthening policy coherence.

? Strengthening the Approach: The project could be enhanced by:

- o Conducting a comprehensive review of existing policies and regulations related to hazardous chemicals and waste management in Ecuador.

- o Identifying gaps and inconsistencies in the policy framework.

- o Developing strategies to promote policy coherence and alignment at the national and sectoral levels.

- o Engaging with policymakers and other stakeholders to advocate for policy reforms that support the project's objectives.

#### 15. Achievement of Global Environmental Benefits:

? The project's focus on eliminating hazardous chemicals from supply chains has the potential to generate significant global environmental benefits. However, the document could provide a more explicit and quantitative assessment of these benefits.

? Strengthening the Approach: The project could be strengthened by:

- o Establishing clear baseline data on the current levels of hazardous chemical use and release in the targeted sectors.

- o Setting ambitious but achievable targets for reducing hazardous chemical use and emissions.

- o Developing a robust monitoring and evaluation system to track progress on achieving global environmental benefits.

- o Communicating the project's contribution to global environmental goals to a wider audience.

#### 16. Strengthening Access to Finance:

? The project has secured co-financing from various sources, including the private sector. However, the document could provide a more detailed strategy for strengthening access to finance for similar initiatives in the future.

? Strengthening the Approach: The project could be enhanced by:

- o Exploring innovative financing mechanisms, such as green bonds or blended finance, to leverage additional resources.
- o Developing capacity-building programs to help local stakeholders access and manage financial resources.
- o Establishing partnerships with financial institutions to facilitate access to credit and investment for sustainable projects.
- o Documenting and disseminating lessons learned on mobilizing finance for replication and scaling up.

**(10/30/24)**

1. The project is well aligned with the PFD design and objectives and drivers and barriers are well described. In a usual FSP (not child) the ToC should usually provide a concise analysis of the problem and solution pathways and actors (please also refer to the STAP guidance on the formulation of a Theory of Change for future reference). Given this is a child project and aligned with the design of the PFD the approach taken on the ToC works and is underpinned by the detail provided in the project document. Addressed.

2. Addressed.

3. Thank you.

4. Noted and addressed.

5. Noted especially with the past history of work injuries related to abaca.

6. New paras are noted. Addressed.

**7. The inserted text largely just refers to the Gender Action Plan in Annex 10 with little detail truly included in the project component description. Please enhance the main prodoc and ER component text to include key considerations of the Gender Action Plan - especially given that the gender action plan is provided in spanish only. Is there an informal translation of the Gender Analysis and Action Plan?**

8. While the ER is somewhat vague on this, detail is provided in the project document. Cleared.

9. Addressed.

10. Addressed.

11. This is indeed addressed in the prodoc. **In addition, a short summary in the ER as per the previous comment would be really helpful.**

12. This is addressed in the prodoc. Please note that in future a summary should also be in the endorsement request as this needs to be readable and addressing main points of GEF policy and guidance concerns. Cleared in this case.

13. Please note comment 12 right above. Cleared as addressed in the project document.

14. Thanks for the response which also explains why this is sometimes hard to follow as information is somewhat spread out across the project document. Cleared.

15. Table 5 on page 27 does not **quantify** current chemical use and releases in the two supply chain sectors. **Could this be added?**

16. Noted and addressed under B.1.ii in the project document. Again, the endorsement request is thin on this. Addressed.

(11/12/2024)

7. The paras outlining gender related action in the chapeau for each component is noted. addressed at Er stage.

Please report on the implementation of gender related actions and specifically on both inclusion and protection of women in PIRs, MTR and TE.

11. Addressed in response.

15. The chemical inputs are listed but not quantified. ***During the project inception phase*** a quantitative baseline for targeted hazardous substances needs to be established in order to report on reduction over the reporting timeline of the project.

cleared

### Agency Response

1. Please, refer to the detailed ToC analysis for both supply chains in Sub-section 2.6 *?Barriers to Systemic Transformation in the Target Sectors?* of the Project Document.

2. Thank you for your comment. Please, note that the ToC analysis presented on the ProDoc has now reinforced disincentives (marked in red), that have been identified at the PPG stage and that this child project will deal with.

3. Please see a full List of acronyms and abbreviations after PRODOC Table of Contents

4. Please, note that Component 1 in Section IV of the ProDoc has referenced the main stakeholders that this child will work in both sectors.

5. The PPG stage recognized a poor labor practice in the past during the production of abaca carried out by an international corporation, a private business which is no longer in operation in Ecuador. Due to this preceding context, and in accordance with UNDP Social and Environmental Screening procedures, UNDP Country Office carried out during the PPG stage the due diligence compliance for social and environmental safeguards on the private firm ANGUA, a strategic private stakeholder of this child project for the sustainable production and innovating market development of the abaca fiber. This procedure will be also revised before the beginning of any activity in this field along the FSP implementation (please refer to Table 13).

6.

- This child Project will not re-power the cotton production in Ecuador. As an innovative activity proposed under Output C.1, the project will promote the introduction of colored cotton seeds to re-power colored-driven varieties. In this regard, Activity C.1.iii on page 26 of CEOER and page 79 of the Project Document now read as follows: *“This project aims to promote the cultivation of colored cotton as an input for the local textile producers, by introducing innovative varieties of colored cotton seeds. This initiative will be facilitated through institutional coordination with INIAP and the Technical University of Manabí. In this way, it is expected that new cotton fields will be a more profitable and innovative alternative than the traditional cotton varieties.”*

- Thanks for this comment. Paragraphs 83 and 84 were added in the ProDoc to address this comment.

7.

- Yes, it is already marked in red in the text of both documents, CEOER and ProDoc.-.-

- Done. Please, refer to Section 4.6 “Propuesta de indicadores de género según nivel de intervención” of Annex 10.

8. please, refer to response to Comment #4 above.

9. Yes, the following paragraph was added to the ProDoc to reinforce the baseline of pesticide use in cotton (please, refer to page 23 of ProDoc):

“The Phytosanitary, Zoosanitary, Regulation and Control Agency (Agrocalidad) has registered 13 agricultural chemical pesticides for cotton production (source: <https://docs.google.com/spreadsheets/d/13O4bemThb->

[hZOsXLiNkH0RzYK0s1zD6o/edit?usp=sharing&oid=115837240480542002005&rtopof=true&sd=true](https://www.researchgate.net/publication/354200205)) until January 2024: this includes 11 insecticides: 1 classified as extremely dangerous, one category slightly dangerous, 3 categories moderately dangerous and 6 categories moderately dangerous. Additionally, there is one herbicide classified slightly dangerous, and another one growth regulator classified under the category of slightly dangerous. Due to the limited capacity of Agrocalidad (the public agency responsible for pesticide registration) approval process for new chemicals is often delayed, this results in the continued use of outdated and more hazardous pesticides?. For the anticipated actions, the child project has identified an interesting experience inherited from the *?Project+cotton?*, implemented in collaboration with the Brazilian Cooperation Agency, the Food and Agriculture Organization and the Ministry of Agriculture and Livestock (please refer to page 35, paragraph 50). This child project will also learn on sustainable cotton from this bilateral project.

10. Indeed, safe disposal of clothing containing flame retardants is one of the interventions considered in this child project. However, it is based on the enhancement of existing regulations that will be carried out once the project is implemented, as per actions in this regard under Activity A.2.iii.

11. For the anticipated timeline for KM&L activities and outputs, please refer to Annex 4 of ProDoc *?E.2 Knowledge management system for BAT/BEP and communications at national and global levels established.?* The budget for Output E.2 is included in Section X. *Budget Plan and Work Plan* for an amount of USD279,823. With respect to distinguish between communication outreach vs. knowledge exchange, please refer to the Activity E.2.i which includes the implementation of an information and communication outreach strategy for multi-stakeholder dialogues and partnerships and knowledge management.

12. At least three lessons learned have been reported in the ProDoc, i.e.:

- One is related to research and development that this child project will enhance. In the brick supply chain to enhance artisanal kilns, focusing on achieving greater energy efficiency, reducing emissions, and improving product quality (please, refer to page 36 of ProDoc).

- The other one is related to several cluster initiatives in the textile sector involving SMEs. With technical assistance from the IDB and MPCEIP which proposes the development of short and medium-term actions such as the formalization of the sector, banking information, knowledge transfer, technical visits to communities, promotion through business roundtables, for instance, the Fashion Week promoted by the Provincial Government of Tungurahua and actors of the textile sector has become a strategic event for exhibition of innovation and development in this sector (please, refer to page 36 of ProDoc).

- This child project will also count on lessons-learned from the bilateral project, the *?Project+cotton?*, implemented in collaboration with the Brazilian Cooperation Agency, FAO and the Ministry of Agriculture and Livestock (please refer to paragraph 50).

13.

? Please, refer to page 13 of CEOER and page 63 of ProDoc for more clarification of key stakeholders and their role in both supply chains.

? Strengthening the Approach:

- o Please, refer to response to comment #4 above.

- o Please, refer to page 13 of CEOER and page 63 of ProDoc for more clarification of key stakeholders and their role in both supply chains. PRODOC annex 8 also includes stakeholder coordination mechanisms and tasks.

- o Please, refer to the two previous responses.

- o Please, refer to the previous responses. In addition, the private stakeholders are well-established corporations and private driven entities that have inserted sustainability as part of their core mission.

14.

? Noted

?

- o Please, refer to Sub-section 2.3.2 ?Legal and Regulatory Framework associated with the Construction and Textile Sectors? of the ProDoc, which includes a comprehensive review of existing policies and regulations related to hazardous chemicals and waste management in both sectors.

- o This comment was addressed under the ToC analysis, more specifically under the ?Political drivers? of the Project Document for each of the two sectors, which is complementarily to the policy framework developed under Sub-section 2.3.2 ?Legal and Regulatory Framework associated with the Construction and Textile Sectors?, indicated above.

Subsequently, under Output A.1: ?Policy environment enabled for design sustainability and circularity? of Component 1, the design of the child project presents three activities and their corresponding actions. This output promotes institutional policy changes to support market adoption, barrier removal and efforts to make the desirable transformation change enhancing national environmental policies and regulations in both sectors.

- o Please, refer to the previous response.

- o In order to engage key policymakers in the two target sectors, this child project has added two ministries as responsible parties in its design.

The Ministry of Production, Foreign Trade, Investment and Fisheries (MPCEIP) that is the national authority in charge of formulating and executing public policies for industrial development and trade development, and the Ministry of Urban Development and Housing (MIDUVI), that is the lead public

partner responsible for the coordination and implementation of national policies for the construction sector in Ecuador, and more specifically, for the housing sector.

For the detailed roles of these two stakeholders, please refer to Section VIII Governance and Management Arrangements of the Project Document.

15.

? Noted

?

o Please, refer to Sub-section 2.2 ?The Construction and Textile Industries in Ecuador? on page 14 of the Project Document, for a detailed presentation of on the current levels of hazardous chemical use and release of waste for bricks, bamboo, and other materials in the construction sector, and for cotton and abaca in the fashion sector, the rationale behind this child project.

In addition, Table 5, on page 27, ?Supply chains in the construction and textile industries in Ecuador for this child project?, summarizes -at the national level- the key aspects for the supply chains of these two industries.

o The answer is related to the responses for the comments related to 5.3 Core indicators below, where targets for reducing hazardous chemical use and emissions were set up based on the calculation of the achievable GEBs. \

o Thanks for this comment because this is a critical step during the implementation of the child project to undertake quality assurance and guarantee achievement of the proposed GEBs.

UNDP, together with the executing agency, the Ministry of Environment (MAATE) and both responsible partners, the Ministry of Housing and the Ministry of Production, will continue supporting a monitoring and evaluation system.

o Please, refer to Output E.2 in Component 5, on page 32 of CEPER and on page 84 of the Project Document.

This output aims to implement a Knowledge Management System through a digital communication platform to promote training and the exchange of information and experiences among stakeholders, specifically, Activity E.2.i refers to the ?Designing and implementing an information and communication outreach strategy for multi-stakeholder dialogues and partnerships?.

16.

? Noted

?

o Thanks for this comment. The GEF blended finance mechanism, was added to Table 5 ?Financial mechanisms to leverage new investments? of the Project Document to explore avenues for accessing the GEF financial mechanism to mobilize the interest of the private sector, mostly SMEs, women cooperatives and associations and financial intermediaries to co-invest in innovative project financing in both supply chains.



o Indeed, this action is already covered under Activity B.1.ii of the Project Document, i.e.:  
?Strengthening channels of collaboration with financial institutions to leverage financing in both sectors?.

o UNDP Country Office in Ecuador has an extensive collaboration with several national financial intermediaries, such as BanEcuador and CONAFIPS, for the allocation of innovative financial lines of credits (please, refer to Table 13 Partnerships of the FSP of the ProDoc).

o Thank you for the comment. The proposed financial instruments, under Activity B.1.ii are designed based on previous collaborations of the UNDP CO with financial intermediaries, like the Central Bank of Ecuador, a key partner for other projects, like the UNDP/GEF Project National Chemicals Management Program (PNGQ), the UNDP/GEF planetGOLD Child Project in Ecuador, and the Financing the Reduction and Management of Agrochemicals in Ecuador (FARM).

(10/30/24)

7. R:/ Please, find attached an informal translation of the Gender Analysis and Action Plan.

Also, please find attached the requested additions in each of the project's component descriptions in both documents.

11.R:/ Adjusted. Please, refer to page 70 of CEOER.

15. R:/ Yes, please, refer now to the quantify current chemical use and releases in the two supply chain sectors in Table 5 of ProDoc (marked in red), as follows:

<b>Industrial Processing and Manufacturing</b>					
	<b>Bricks</b>	<b>Bamboo</b>	<b>Other Materials</b>	<b>Cotton</b>	<b>Abaca</b>

<p>Chemical inputs</p>	<p>Clay (Silica, alumina, water and iron oxides, calcium oxides and magnesium oxides), Water, Lubricants, Used tires among others</p>	<p>Varnish with UV protection and thinners.</p>	<p>Enamel paints: Organic solvents (mineral turpentine, rubber solvent), organic pigments, iron oxides, zinc oxides, zinc powder, aluminum paste, anti-settling agents, additives that prevent crust formation in the container, medium alkyd resins, drying agents such as: cobalt, calcium and lead octoate or zirconium cobalt, among others).  Varnish paints: Alkyd resins (polyacid esters with polyols), driers (glyceryl phthalate), plasticizers (Di-n-octylphthalate) and organic solvents (rubber solvent mixture, toluene/xylene, ethyl acetate).  Latex paint: Kaolin, talc, chalk, antioxidant, thickener, resin, latex, dispersants, antifoams (silicones), pH regulators (amine or ammonia), preservatives (fungicides), pigments of various colors (various compounds based on barium sulfate, black smoke, aluminum powder and iron oxide). The most common white pigments are: inorganic oxides such as titanium dioxide, antimony oxide and zinc oxide.  Wetting agents such as glycerin.</p>	<p>Enzymes or mineral acids B, Sodium hydroxide, Sodium carbonate or sodium sulfite, Sodium hydroxide Alkalis, Chlorinated compounds: Sodium or calcium hypochlorite. Hydrochloric acid, hydrogen peroxide or paracetic acid  Whitening agent: sodium dithionite and thiourea dioxide.  Concentration agents and organic and inorganic sequestering agents such as: polyphosphates or Ethylene-diaminetetra-acetic acid (EDTA).  Sulfur dioxide  Sulfonic acids, organic bases, sodium salts, suspensions of organic compounds, compounds obtained from anthracene, pigments, azo dyes: releasers of amines and arylamines, vat dyes: anthraquinones or indigo extracts, metallized dyes (copper, zinc, lead,</p>	<p>Sodium hydroxide, Sodium hypochlorite Hydrochloric acid, Sodium carbonate, Active chlorine, Azo dyes, release amines and arylamines, dyes that contain heavy metals (copper, zinc, lead)</p>
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				<p>cadmium), reagents. dyes and sulfur compounds. Brominated and chlorinated flame retardants, Synthetic resins, Silicone, Phosphonium chloride, tetrakis chloride, Silicone fluoride and chromium fluoride, Chlorinated phenols or metallic salts of zinc and copper, Organic silicone, fluorides or oxazoline derivatives, acrylic compounds water-based, urethane foam, water-based acrylic compounds, urethane foam, PVA, plasticized polyvinyl chloride (PVC).</p>	
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Hazardous waste	Baked product ashes Used or spent mineral oils, Containers contaminated with hazardous materials, used mineral oil filters, Used or out-of-specification oils, greases and waxes, Adsorbent material contaminated with hydrocarbons or hazardous chemicals	Containers contaminated with hazardous materials	Oily mixtures, hydrocarbon-water emulsions, coolant waste, contaminated organic solvents, expired or out of specifications, Solid/pasty waste mainly composed of paints, lacquers, varnishes, resins, inks containing organic solvents or other dangerous substances, resulting waste from the production, preparation of inks, dyes, pigments, paints, lacquers or varnishes, waste containing organic solvents. Liquid waste with inks, pigments, paints or other hazardous substances, adsorbent material used in the collection and cleanup of hazardous material spills, expired or out-of-specification raw materials, sludge from industrial wastewater treatment plants, sludge containing paint, varnish, solvents or other hazardous substances, used or spent mineral oils. Industrial wastewater containing concentrations of Cr (VI), As, Cd, Se, Sb, Te, Hg, Tl, Pb, cyanides, phenols or other hazardous substances exceed the maximum permitted limits, scrap metal contaminated with hazardous materials, containers contaminated with hazardous materials. Empty containers and containers of toxic materials without prior	Effluent treatment sludge containing hazardous substances, sludge from hydrocarbon tank bottoms and formation water, sludge from metal surface treatment operations, used or spent mineral oils, containers contaminated with hazardous materials. Empty containers and containers of toxic materials without prior treatment, personal protective equipment contaminated with hazardous materials, used or out-of-specification oils, greases and waxes. Adsorbent material contaminated with hydrocarbons: wipes, cloths, rags, sawdust, adsorbent barriers and other solid adsorbent materials, packaging material contaminated with traces of hazardous substances or waste, waste	n/D
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			<p>treatment, personal protective equipment contaminated with hazardous materials, used mineral oil filters, used or out-of-specification oils, greases and waxes, used filter material and/or activated carbon with harmful content. Material adsorbent contaminated with hydrocarbons: wipes, cloths, rags, sawdust, adsorbent barriers and other solid adsorbent materials, adsorbent material contaminated with hazardous chemicals: wipes, cloths, rags, sawdust, adsorbent barriers and other solid adsorbent materials.</p> <p>Waste inks, paints, resins that contain dangerous substances and exhibit hazardous characteristics, soils contaminated with hazardous materials, spent organic solvents and mixtures of spent solvents.</p>	<p>from paper and cardboard recycling containing hazardous materials, fly ash and others gas treatment waste containing hazardous substances Containers contaminated with hazardous materials Waste inks, paints, resins that contain dangerous substances and exhibit dangerous characteristics.</p>
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11/13/2024

7. R. Noted. We confirm that UNDP PIRs include a specific section for Gender mainstreaming activities.

15. R. Kind request to refer to the document:

PIMS\_9594\_GEFID\_11175\_SupplyChainEcuador\_GEB\_MethodologyIt contains Baseline information and factor to establish quantities to be addressed.This information will be monitored and improved during the implementation phase, and reported on PIRs.

**5.2 Institutional Arrangements and Coordination with Ongoing Initiatives and Project**

**a) Are the institutional arrangements, including potential executing partners, outlined on regional, national/local levels and a rationale provided? Has an organogram and/or funds flow diagram been included?**

**b) Comment on proposed agency execution support (if agency expects to request exception). Is GEF in support of the request?**

**c) Is there a description of coordination and cooperation with ongoing GEF and non-GEF financed projects/programs (such as government and/or other bilateral/multilateral supported initiatives in the project area, e.g.).**

**d) [If a child project under an integrated program] Does the framework for coordination and collaboration demonstrate consistency with overall ambition of the program for transformative change?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. The UNDP execution functions described are standard duties of an implementing agency and to be covered by the GEF agency fee. Please revise the answer to "Will the GEF agency play an execution role on this child project" ,

Note: This is in fact consistent with the project budget listing MAATE as the budget holder for all budget lines.

2. . However, in the budget table there is an item indicating that UNDP will be sub-contracted to perform limited activities (see language from the budget table in italics below). Per guidelines GEF require a letter of support signed by the country's OFP and managerial approval. The only letter we could find is not signed by the OFP. Please obtain such letter. In either case whether GEFSEC does or doesn't approve for an exception for UNDP to perform execution role for the project, please request UNDP to remove this item **off the budget first**.

*"Direct project services from UNDP for a limited set of activities, including personnel hiring, processing of payments and travel, procurement and hiring of consultants."*

2. Please describe specific cooperation and coordination with ongoing initiatives on supporting greater sustainability and finance for SMEs in both sectors In Ecuador. Please describe synergies. These could be government, private sector driven or partner supported initiatives.

(10/30/24)

1. and 2.

Given that:

? this further UNDP execution support is requested by the governments /OFPs

? it is limited to specific procurement and financial management support

? the costs are clearly defined and justified

? this will not constitute a precedence for future execution support, which must be substantiated and approved by GEFSEC in each instance

Noting the bullets above, the reimbursement to UNDP (budgeted at 165 K) for specific procurement and financial management functions specified in the letter of the government can be accepted on an exceptional basis. Please report on this during the inception of the project and annually in the PIRs.

2. (actually 3.) . Cooperation: addressed in prodoc.

Cleared.

**(11/18/2024)**

Additional comments arose based on a policy review which were not captured in the last review:

**Per guidelines GEF require a letter of support signed by the country's OFP and managerial approval. In the previous review the only letter available was missing the signature. During this review the only letter we could find is signed by the previous OFP. Please obtain a new letter signed by the current OFP.**

(11/20/2024)

The updated letter has been provided with an electronic signature as per practice for the OFP signatures in Ecuador (see also submission of the original EOI and original LOE). **Addressed.**

## Agency Response

1. & 2.

UNDP has been requested to provide certain operational execution support services to supplement a number of capacity gaps on the part of the Government and has submitted this for approval to the GEF. UNDP has assessed this request based on the current capacity constraints experienced by the Government.

The services which UNDP will provide have been detailed in a Letter of Agreement with the Executing Entity and, as per UNDP financial regulations and rules, the cost thereof will need to be recovered from the project budget (PMC). This process follows established protocol with the GEF.

Please note that any support to execution that would be provided by UNDP is distinct from the oversight implementation function for which UNDP receives fee. This is in fact consistent with the project budget listing MAATE as the budget holder for all budget lines.

Under UNDP policy, the overall accountability for the implementation of a project rests with the Implementing Partner (MAATE) and there can only be one IP per project. The IP can in turn further

?subcontract? the execution of activities to other entities including the UNDP Country Office. The execution of these activities is carried out as per UNDP?s Rules and Regulations. Regardless of the activities with supported execution, the overall accountability for the project rests with the IP.

We confirm that the request for execution support letter was received and uploaded. The letter is digitally signed. We tried to upload it again hoping the QR code whill show up.

DEL ECUADOR

y Transición Ecológica

- Provide the name and describe the functions of the person or persons authorized to sign the project's budget and/or substantive revisions of the project.
4. Execution activities, including those provided by UNDP, will be described in detail in the GEF CEO Endorsement/Approval request and accompanying project/program documents, including the project/program budget.

Sincerely,



Edgar Heredia  
Vice minister of environment  
Ministry of Environment, Water and Ecological Transition

2. Please, see specific cooperation with key stakeholders in Table 13 *?Partnerships of the FSP?*, of the ProDoc.

(11/18/2024)

Updated OFP Letter of Support signed by the current OFP Ms. Mireille Vasconez, uploaded.

### 5.3 Core indicators

a) Are the identified core indicators calculated using the methodology and adhering to the overarching principles included in the corresponding Guidelines (GEF/C.62/Inf.12/Rev.01)? [If a child project under a program] Is the choice of core indicators consistent with those prioritized under the parent program?



**b) Are the project's targeted contributions to GEBs (measured through core indicators and additional listed outcome indicators) /adaptation benefits reasonable and achievable? Are the GEF Climate Change adaptation indicators and sub-indicators for LDCF and SCCF properly documented?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. Core Indicator 6, GHG: The explanation provided is insufficient to assess whether the calculation of the expected GHG mitigated by the project is accurate. Please provide more detail about the calculation and the methodology employed, and if possible, share the calculation sheet that was used to calculate the GEBs under core indicator 6.
2. Core Indicator 4: please explain the assumptions underlying these percentages and how they relate to which pilot areas. For cotton: the current cultivation area is only 100 ha? What are the underlying ecological/climate soil, and economic reasons for this and is an increase to 800% both realistic or viable?
3. Core Indicator 9: <<Anil to comment>>
4. Core Indicator 10: << Anil to comment>>
5. Core indicator 11: is there additional information on the size/location of the pilot areas that could be added here to support the number of direct beneficiaries?

(10/30/2024)

1. The logic behind the assumptions and descriptions is clear, while the Excel provided could be more detailed and include formulas. Since GHG reductions are not the main focus of this project, we suggest that an update and reporting GHG reductions at MTR and TE is adequate. Cleared.
2. Response noted. Addressed.
3. and 4. See earlier comment on baseline. no need for another response here.
5. Noted.

Agency Response

1. To carry out the calculations of the GEBs to be achieved by this child project, UNDP recruited an international senior expert on chemicals and waste who helped develop a methodology together with a group of local senior experts in the construction and fashion sectors.

The methodology was shared on file:

PIMS\_9594\_GEFID\_11175\_SupplyChainEcuador\_GEB\_Methodology

2. Yes, the current cultivation area of cotton is about 100 hectares.

The potential cultivation land for cotton in Ecuador is about 800 hectares, however, in recent years is combined with corn fields. The planned intervention by the child project is to turn it back to cotton production with technical and financial support in coordination with other ongoing initiatives and innovative BAT/BEP in agriculture to enhance competitiveness.

3. The baseline was built using available data from government entities. The pilots will consider the following steps to achieve the reduction of chemicals: 1) Assessment to establish the quantity of waste, or materials with dangerous chemicals, 2) Develop the safety procedures for the treatment, reduction, alternatives materials and disposal; and 3) Implement the pilot intervention.

4. Similar to the previous response, public data gathering is focused on worst burning practices in agricultural waste. In rural zones, farmers burn wastes and garbage without any technical provision and in the open air.

5. Please, refer to the following link that supports the calculation of number of direct beneficiaries:

[https://docs.google.com/spreadsheets/d/18XCq1TIHs\\_yUAe\\_PT3cOuPfmvoKMjmF2/edit?usp=drive\\_link&ouid=115886000457273664052&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/18XCq1TIHs_yUAe_PT3cOuPfmvoKMjmF2/edit?usp=drive_link&ouid=115886000457273664052&rtpof=true&sd=true)

#### 5.4 Risks

**a) Is there a well-articulated assessment of risk to outcomes and identification of mitigation measures under each relevant risk category? Are mitigation measures clearly identified and realistic? Is there any omission?**

**b) Is the rating provided reflecting the residual risk to the likely achievement of intended outcomes after accounting for the expected implementation of mitigation measures?**

**c) Are environmental and social risks, impacts and management measures adequately assessed and rated and consistent with requirements set out in SD/PL/03?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. Overall comments on Key risk table:

- The risk assessment in the document needs further development to provide a comprehensive and well-articulated understanding of the risks facing the project and the strategies for managing them. More detail, specificity, and explicit consideration of environmental and social risks are needed. Additionally, the risk ratings should be clearly explained and justified, reflecting the residual risk after accounting for mitigation measures.

- Please distinguish clearly the description of the risk from mitigation measures such as e.g. climate risks in Ecuador should be described and their potential impacts on the two sectors during the project and the coming decades be considered.

2. Camelids and pilots involving camelid fibers were mentioned in the EOI but the only time this is mentioned in the endorsement request is in the risk matrix. What prompted the shift away from camelid fiber to focus on abaca and cotton?

3. Institutional and policy risk: there is little description in the endorsement request of the governments ongoing commitment to transform the construction and textile for fashion sectors. Please enhance the rationale section to strengthen this aspect and provide a stronger background to assess the likelihood of a transformational shift.

4. Stakeholders: Similarly and as per previous comment, please include some more specificity in the component description of the endorsement request on the specific entities/stakeholders that will be actively involved in the carrying out and being engaged in project activities.

5. Please add an overall risk rating.

(10/30/24)

1. Response and reference to the Annex noted, Cleared, therefore, as an exception. For the future, please note that the endorsement request is a free standing document and the risk matrix needs to summarize key risks and mitigation measures in the table.

2. Addressed.

3. Please refer to comment/response to 1. just above for future projects. Yes, the prodoc addresses this, but the risk matrix is designed and intended to provide a summary. Cleared on exceptional base (as the information is indeed in the prodoc and is being considered and responded to in the project design).

4. Addressed.

5. Addressed.

## Agency Response

1.

- For detail, specificity, and explicit consideration of environmental and social risks, please refer to Annex 5: UNDP Social and Environmental Screening Procedure. This risk assessment analysis of the child project was carried out by the PPG Team following the UNDP Guidance Note "Social and Environmental Screening Procedure" and validated with MAATE, the National Executing Agency, as well as with responsible parties, Ministry of Production and Ministry of Housing.

- Please, refer to Annex 5. Climate Change and Disaster Risks have deserved explicit consideration under Risk 7 of Annex 5. The rationale for given such importance is because Ecuador is recognized as vulnerable to climate change impacts, ranked 108th in the 2020 ND-GAIN Index. In the coastal areas, rising seas, coupled with increased storm surges can lead to localized flooding. Floods are most common especially during abnormal climatic conditions. As the climate changes, weather related disasters are likely to continue, exacerbating existing vulnerabilities in Ecuador. The increased risk of flooding can cause damage to the facilities where the pilots are being implemented, as well as the planned houses.

In this regard, management measures for this risk, categorized as Moderate by this assessment, are considered under activities A.2.ii and iii, E.1.ii and v and E.1.iv. Based on the assessment, proposed measures will be revisited and integrated during the implementation of the child project.

2. Indeed, there is one reference in the PFD (page 142, fourth paragraph) ) that the project, in the fashion sector, will strengthen the technical capacities of artisan producers of vegetable and animal fibers which is not accurate. For Ecuador, in the fashion sector, this child project will work to strengthen agroecology practices for cotton and abaca crops (textiles) to eliminate the use of harmful pesticides, promote sustainable land management, and ensure traceability. Likewise, the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators is based on these two vegetable fibers in the fashion supply chain.

3. Please, refer to Sub-section 2.3.2 "Legal and Regulatory Framework associated with the Construction and Textile Sectors" of the ProDoc, which includes a comprehensive review of existing policies and regulations related to hazardous chemicals and waste management in both sectors. Also, under Output A.1: "Policy environment enabled for design sustainability and circularity" of Component 1, the design of the child project presents three activities and their corresponding actions to support market adoption, barrier removal and efforts to make the desirable transformation shift enhancing national environmental policies and regulations in both sectors. These activities will be, mainly carried out, under the responsibility of the Executing Agency, the Ministry of Environment, and the two responsible parties in the construction and fashion sector, Ministry of Production and Ministry of Housing, respectively.

4. Adjusted accordingly (marked in red in Table 14 "Associated Relevant Initiatives") of the ProDoc.

5. Adjusted

**5.5 For NGI Only: Is there a justification of the financial structure and of the use of financial instrument with concessionality levels?**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**6 C. Alignment with GEF-8 Programming Strategies and Country/Regional Priorities**

**6.1 a) Is the project adequately aligned with Focal Area objectives, and/or the LDCF/SCCF strategy?**

**b) [If a child project under an integrated program] Is the project adequately aligned with the program objective in the GEF-8 programming directions?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. The project is aligned with the IP structure but needs some strengthening to provide details how it can have a higher potential to being transformational for either sector.

(10/30/24)

Comment addressed.

Agency Response

Thanks for this comment which is key to the success of the project. It will be considered during implementation and reported by UNDP on PIRs.

Section III, and more specifically Sub-section 3.3 *The Project Approach*, of the ProDoc, provides the feedback to respond to this comment.

**6.2 Is the project alignment/coherent with country and regional priorities, policies, strategies and plans (including those related to the MEAs and to relevant sectors).**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. The document states that the project interventions are aligned with GEF-8 programming strategies and country/regional priorities. It also mentions that the project is in line with Ecuador's National Development Plan and its sectoral policies for the construction and textile industries. The project also supports the country's commitments to multilateral environmental agreements, including its Nationally Determined Contributions (NDCs) under the Paris Agreement and its National Biodiversity Strategy and Action Plan (NBSAP).

However, the document could be more explicit in demonstrating this alignment. It could provide more specific examples of how the project's objectives and activities directly support national and regional priorities and policies. It could also elaborate on how the project contributes to the

implementation of the NDCs and NBSAP, and other relevant MEAs. A more detailed explanation of the linkages between the project and these frameworks would strengthen the case for its alignment and coherence with national and international efforts to promote sustainable development and environmental protection.

2.. Please list specific country policies and strategies and plans that are already initiating action to implement the countries commitment to a shift in the two sectors towards greater sustainability and circularity.

3. Are there specific commitments in the different MEA action plans that align specifically with the intended shift in the two sectors.

(10/30/24)

1. The comment relates to the endorsement request, section C. Your response is not addressing this. While that is the case, the prodoc **does** provide more detailed information in that regard (which would have been nice to see a summary of in the endorsement request, section C.). Cleared.

2. Para in prodoc noted. Addressed.

3. Thanks for the reference. Cleared.

### Agency Response

1. The basis of Table 7: ?SDGs and their relevance to this FSP?, is to demonstrate the alignment not only with national policies and the relevant MEAs, but also to present how this child project promote sustainable development and environmental protection following the rationale of contributing to the achievement of 13 SDGs at its completion.

2. Yes, there are several initiatives in Ecuador to integrate environmental awareness in the supply chain of commercially driven markets in both sectors. These could be "engines" that drive cutting-edge and environmentally friendly production practices for this child project.

For further detail of their relevance to this project, please refer to paragraph 47 of the Project Document.

3. Please, refer to Table 14 ?Associated relevant initiatives?, on page 98 of the Project Document which highlights how this child project is associated to the UNFCCC, Convention on Biological Diversity, NIP under the Stockholm Convention, and the Global Framework on Chemicals.

**6.3 For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), does the project clearly identify which of the 23 targets of the Kunming-Montreal**

**Global Biodiversity Framework the project contributes to and how it contributes to the identified target(s)?**

Secretariat comment at CEO Endorsement Request

1. The document does not explicitly identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to, nor does it explain how it would contribute to any specific targets. Although the project aims to reduce hazardous chemicals and waste, which could indirectly benefit biodiversity, the link to the specific targets of the framework is not clearly articulated.

(10/30/24)

1. Noted in table 14. Addressed.

Agency Response

Please, refer to Table 14 *?Associated relevant initiatives?*, which highlights how this child project is associated to the Convention on Biological Diversity of the Project Document.

It indicates that through the UNEP Child Global Project, this child project will establish a monitoring mechanism to monitor the contributions of projects in the country to the achievement of targets 7, 15, 18 and 19 of the Kunming-Montreal Global Biodiversity Framework.

**7 D. Policy Requirements**

**7.1 Are the Policy Requirement sections completed?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

1. Yes, the policy requirement section has been completed. Please consider though previous comments to strengthen project components to clearer mainstream gender and be more specific on the stakeholders and actors which will actively engage in the project activities.

2. Gender: The gender action plan has been provided and the policy section completed. As per a previous comment, please strengthen gender dimensions and description of specific attention to these in all relevant components and outputs/activities.

3. KM: Please provide a simple table of KM products, timeline and budget; see previous comment.

(10/30/24)





<p><b>Knowledge management system for BAT/BE P and communications at national and global levels established.</b></p>	<p>enting an information and communication outreach strategy for multi-stakeholder dialogues and partnerships.</p>																														
	<p>ii. Promoting (or creating) national networks of producers, public sector, academia and research centers ? both in the construction and textile sectors ?open to replicate best agricultural practices, BAT/BE T and implement innovations in their value chains.</p>																														



apply):

**STAR allocation?**

Secretariat comment at CEO Endorsement Request(7/25/2024) Yes

Agency Response

**Focal Area allocation?**

Secretariat comment at CEO Endorsement Request(7/25/2024) yes

Agency Response

**LDCF under the principle of equitable access?**

Secretariat comment at CEO Endorsement Requestna

Agency Response

**SCCF A (SIDS)?**

Secretariat comment at CEO Endorsement Requestna

Agency Response

**SCCF B (Tech Transfer, Innovation, Private Sector)?**

Secretariat comment at CEO Endorsement Requestna

Agency Response

**Focal Area Set Aside?**

Secretariat comment at CEO Endorsement Requestna

Agency Response

**8.2 Project Preparation Grant (PPG)**

**a) Is the use of PPG attached in Annex: Status of Utilization of Project Preparation Grant (PPG) properly itemized according to the guidelines?**

Secretariat comment at CEO Endorsement Request  
(7/25/2024)

1. Annex D: the *amount spent to date plus the amount committed* does not add up to the total of 150 K.

2. Some of the line items have the same issue.
3. Please request the agency to provide details on the activities implemented through the PPG rather than list expenditure categories.
4. National PPG Coordinator, Institutional and Policy Expert, if this role involves both coordination and policy expertise, please separate these functions and provide details of the activities implemented.

(10/30/24)

1. and 2. Addressed.

3. and 4. Addressed in detail. Thank you. Cleared.

#### Agency Response

1. Information updated on the GEF portal as per the CEO Endorsement file attached.
2. see above
- 3.

# GEF PPG Activities

## Component A: Preparatory Technical Studies & Reviews

The following technical studies and reviews will be conducted.

### Desktop and field-based studies and data collection

This research should produce the background information required to prepare the ProDoc (including its Annexes) and CEO Endorsement Request, including but not limited to the following:

- ? Development challenge and strategy (including threats, problems, and barrier assessment);
- ? Review of national policy and legislative frameworks;
- ? Problem and solution trees, assumptions and risks, developed in consultation with project stakeholders for a robust Theory of Change, Results Framework, and solid M&E plan;
- ? Review of relevant past and ongoing projects for lessons, including [project evaluations](https://erc.undp.org/) (<https://erc.undp.org/>); and
- ? Any other analyses required to address all comments on the PFD received from GEF Secretariat, GEF Council members, and STAP.

## Gender Analysis

A gender analysis will be prepared to fully consider the different needs, roles, benefits, impacts, risks, differential access to and control over resources of women and men (including considerations of intersecting categories of identity such as age, social status, ethnicity, marital status, etc.) and to identify appropriate measures to address these and promote gender equality and women's empowerment. See the guidance (<https://intranet.undp.org/unit/bpps/sdev/gef/SitePages/Gender.aspx>).

## Social and Environmental Standards: Screening and Assessments

The required targeted assessment(s) of the risks related to *Principles 1. Human Rights and 2. Gender Equality and Women's Empowerment, Standard 1: Biodiversity Conservation and Sustainable NRM, 3. Accountability, and Standards: 6. Indigenous Peoples, 7, Labour and Working Conditions, and 8. Pollution Prevention and Resource Efficiency* will be undertaken during the PPG. The assessment will identify ways to avoid negative environmental and social impacts where possible. If risk avoidance is not possible, mitigation and management measures must be identified and documented.

## Identification of project sites

Based on the above reviews and through consultation with stakeholders, the targeted project *pilot/demonstration* sites will be identified. *Targeted assessments will be conducted prior to commencement of the project activities* This should include providing geographic coordinates, maps, and shapefiles for inclusion in the ProDoc.

## Financial planning, co-financing, and investment mobilized

Co-financing and investment mobilized ? as defined in the GEF Policy and Guidelines on co-financing - will be confirmed, and additional sources identified through a series of consultations with partners to ensure a coherent and sustainable financing package for the project, including post-GEF grant phase to the extent possible. The GEF is seeking high co-financing/investment mobilized to GEF grant ratios with a preference for grants, loans, and other public investments over in-kind co-financing. The GEF also expects the Government to significantly support the costs associated with project execution (i.e., PMC).

## Stakeholder analysis

Building on the initial identification of stakeholders in the PFD/Child, an appropriately-scaled analysis of project stakeholders will be undertaken. This stakeholder analysis will provide the foundation for developing the project's Stakeholder Engagement Plan and facilitate the prioritization of engagement activities with particular stakeholder groups and individuals. Projects with pre-screening categorizations of Substantial or High will prepare a **comprehensive** stakeholder analysis.

See the [UNDP SES Guidance Note on Stakeholder Engagement](#)

([https://info.undp.org/sites/bpps/SES\\_Toolkit/SES Document Library/Uploaded October 2016/UNDP SES Stakeholder Engagement GN\\_Final\\_rev\\_July2022.pdf](https://info.undp.org/sites/bpps/SES_Toolkit/SES Document Library/Uploaded October 2016/UNDP SES Stakeholder Engagement GN_Final_rev_July2022.pdf)).

## Appraise and formulate the most appropriate project implementation and execution modality

The design of the project will comply with the UNDP's Program and Operations Policy and Procedures (POPP), Financial Regulations, Programme and Project Management and Quality Standards, and UNDP-GEF guidance

(which will be provided by the RTA). A full assessment of the most appropriate project implementation and management arrangements will be conducted in full consultation with the RTA, UNDP Country Office, Resident Representative (or their Deputy), the relevant government coordinating agency, and the GEF OFF.

Project management arrangements must be discussed and agreed upon early in the PPG phase and an assessment and selection of the most appropriate Implementing Partner and/or third parties (Responsible Parties) with full capacity to execute the project must be carried out.

During the first two months of the PPG phase:

- ? For all potential Implementing Partners, carry out capacity assessments to assess their capacity to implement the project and assess all related risks. This must include HACT and PCAT assessments (Including mandatory procurement assessment and construction assessment when applicable).
- ? Discuss the level of co-financing the Government and Implementing Partner can commit to this project. As per GEF Policy, the GEF is seeking high co-financing to GEF grant ratios and expects the Government to significantly support the costs associated with project execution (i.e., PMC) for this project.
- ? Based on these assessments, select and confirm the Implementing Partner for the project in consultation with all relevant stakeholders. The selected Implementing Partner must express willingness to serve as the Implementing Partner for the Project, and the concerned government must agree to use the selected Implementing Partner for the Project. (Please see [UNDP's Policy on Selecting Implementing Partners](https://popp.undp.org/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Design_Select_Implementation_Partner.docx?web=1): [https://popp.undp.org/UNDP\\_POPP\\_DOCUMENT\\_LIBRARY/Public/PPM\\_Design\\_Select\\_Implementation\\_Partner.docx?web=1](https://popp.undp.org/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Design_Select_Implementation_Partner.docx?web=1)).
- ? If the Implementing Partner does not have full capacity to execute the project, and execution support is likely needed, discuss with the UNDP Resident Representative whether Implementing Partner is the correct choice. If not, select another Implementing Partner, if possible. If that is not an option, explore alternative options for providing execution support via Responsible Parties (see [UNDP Policy on Selecting Responsible Parties](https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=%2FUNDP%5FPOPP%5FDOCUMENT%5FLIBRARY%2FPublic%2FPPM%5FDesign%5FSelect%20Responsible%20Party%20and%20Grantees%2Edocx&action=view&wdparaid=7F408ACC): [https://popp.undp.org/\\_layouts/15/WopiFrame.aspx?sourcedoc=%2FUNDP%5FPOPP%5FDOCUMENT%5FLIBRARY%2FPublic%2FPPM%5FDesign%5FSelect%20Responsible%20Party%20and%20Grantees%2Edocx&action=view&wdparaid=7F408ACC](https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=%2FUNDP%5FPOPP%5FDOCUMENT%5FLIBRARY%2FPublic%2FPPM%5FDesign%5FSelect%20Responsible%20Party%20and%20Grantees%2Edocx&action=view&wdparaid=7F408ACC)). Discuss with the Implementing Partner the role of the responsible parties in project execution and the execution support these parties could provide.
- ? The [GEF Policies on Minimum Fiduciary Standards](https://www.thegef.org/sites/default/files/documents/gef_minimum_fiduciary_standards_partner_agencies_2019.pdf) ([https://www.thegef.org/sites/default/files/documents/gef\\_minimum\\_fiduciary\\_standards\\_partner\\_agencies\\_2019.pdf](https://www.thegef.org/sites/default/files/documents/gef_minimum_fiduciary_standards_partner_agencies_2019.pdf)) require a separation of functions between project implementation (i.e., oversight) and project execution (which generally includes managing and administrating the day-to-day

activities of projects in accordance with the legal agreements with the GEF). Oversight activities are the primary responsibility of the GEF Agency (i.e., UNDP). In contrast, the execution activities are the responsibility of the Executing Entity (i.e., the Implementing Partner and/or Responsible Party in UNDP terminology). While UNDP policy offers the possibility for UNDP to provide execution support to NIM or execute the project under a DIM modality in case there is a government request for such support, GEF policy only allows GEF Agencies to step into an execution role in 'exceptional circumstances', which are assessed on a case-by-case basis. Hence, whenever a project involves GEF funding, the exceptional circumstances where there is a clear and well-founded rationale for UNDP to perform certain execution functions **should always be well documented and transparently disclosed, discussed, and agreed upon with the GEF Secretariat at the project concept (PFD/Child) stage before CEO Endorsement, regardless of whether the execution services are intended to be funded from the GEF grant or non-GEF resources.** See the [UNDP-GEF ProDoc template](#) guidance for further information

([https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fpopp.undp.org%2FUNDP\\_POPP\\_DOCUMENT\\_LIBRARY%2FPublic%2FPPM\\_UNDP%2520annotated%2520Project%2520Document%2520for%2520projects%2520financed%2520by%2520GEF%2520Trust%2520Funds.docx&data=05%7C01%7Cjihyea.kim%40undp.org%7Cf1c03d4b69584b35efd408db5df1a532%7Cb3e5db5e2944483799f57488ace54319%7C0%7C0%7C638207064660544099%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6IklhaWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&data=JDKfgjnPIOvt91PlatVgs6zdCAu3I9ZBR%2BpBzTmS5T4%3D&reserved=0](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fpopp.undp.org%2FUNDP_POPP_DOCUMENT_LIBRARY%2FPublic%2FPPM_UNDP%2520annotated%2520Project%2520Document%2520for%2520projects%2520financed%2520by%2520GEF%2520Trust%2520Funds.docx&data=05%7C01%7Cjihyea.kim%40undp.org%7Cf1c03d4b69584b35efd408db5df1a532%7Cb3e5db5e2944483799f57488ace54319%7C0%7C0%7C638207064660544099%7CUnknown%7CTWFpbGZsb3d8eyJWljiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6IklhaWwiLCJXVCi6Mn0%3D%7C3000%7C%7C%7C&data=JDKfgjnPIOvt91PlatVgs6zdCAu3I9ZBR%2BpBzTmS5T4%3D&reserved=0)).

- ? Consult with the RTA on the latest guidance regarding UNDP providing support services to the Implementing Partner. If the costs for UNDP to provide support services are to be charged to the GEF project budget, the UNDP support services must be approved by the GEF Secretariat before CEO endorsement.
- ? Consult with CO Head of Procurement Unit/Operations Manager and Regional Procurement Advisors on envisaged procurement/contracting project procurement requirements, identified risks, development of optimal procurement strategies, development of project procurement plans and opportunities to incorporate sustainable procurement considerations and indicators to the project.

## Other required studies

*An Occupational Health and Safety Plan will be performed during the PPG. The plan will include conditions under which the use of PPE is mandatory. It will ensure that first aid kits are available on site with trained workers, if not health staff, prepared to care for minor injuries. For major injuries, emergency, primary and preventative care, beneficiaries will have access to health facilities.*

# Component B: Formulation of the UNDP-GEF Project Document, CEO Endorsement Request, and Mandatory and Project Specific Annexes



Based on the technical studies and reviews undertaken under **Component A**, the UNDP-GEF Project Document will be developed, and the GEF CEO Endorsement Request will be prepared. See additional guidance notes below.

The GEF PPG Team Leader will be responsible for consolidating and finalizing all required materials.

## Stakeholder Engagement Plan:

At a minimum, the Plan must include the following elements:

- ? Stakeholders who have been and will be engaged (based on stakeholder analysis), including potentially marginalized or disadvantaged groups/individuals and stakeholders that will be involved in particular project outputs/activities (the 'who?');
- ? Key stakeholder objectives and interests (the 'why?');
- ? Steps and actions to achieve meaningful consultation and inclusive participation, including information dissemination and any special measures required to ensure inclusive participation of marginalized disadvantaged groups/individuals the dissemination of information (the 'how?');
- ? Breadth and depth of stakeholder engagement throughout the project cycle and decisions that need to be made through stakeholder engagement (the 'what?');
- ? Timeline for engagement activities and how they will be sequenced, including information disclosure (the 'when?');
- ? Indicators of stakeholder engagement and monitoring plan on progress and issues that arise;
- ? Roles and responsibilities for ensuring effective stakeholder engagement through the implementation of the Plan, including the role of stakeholder representatives and whether stakeholder engagement facilitators are required; and
- ? Resource requirements and associated budget.
- ? A project-level Grievance Redress Mechanism (GRM) will be described in the Stakeholder Engagement Plan and established in the first year of project implementation. See the UNDP [guidance on GRM](https://info.undp.org/sites/bpps/SES_Toolkit/SES Document Library/Uploaded October 2016/UNDP SES Supplemental Guidance_Grievance Redress Mechanisms.pdf) (https://info.undp.org/sites/bpps/SES\_Toolkit/SES Document Library/Uploaded October 2016/UNDP SES Supplemental Guidance\_Grievance Redress Mechanisms.pdf) and [sample TOR](https://info.undp.org/sites/bpps/SES_Toolkit/SES Document Library/Uploaded October 2016/Sample Terms of Reference - Project-level Grievance Redress Mechanism.docx) (https://info.undp.org/sites/bpps/SES\_Toolkit/SES Document Library/Uploaded October 2016/Sample Terms of Reference - Project-level Grievance Redress Mechanism.docx).

See the [UNDP SES Toolkit](https://info.undp.org/sites/bpps/SES_Toolkit/Pages/Guidance-and-Templates.aspx) (https://info.undp.org/sites/bpps/SES\_Toolkit/Pages/Guidance-and-Templates.aspx), which contains guidance on Stakeholder Engagement, the standard SEP template, and the [GEF guidelines on stakeholder engagement](https://www.thegef.org/sites/default/files/documents/Stakeholder_Engagement_Guidelines.pdf) (https://www.thegef.org/sites/default/files/documents/Stakeholder\_Engagement\_Guidelines.pdf).

## Gender Action Plan and Budget

The gender analysis conducted in **Component A**, along with relevant findings from the stakeholder analysis and background studies, will form the basis of a Gender Action Plan to guide gender

mainstreaming during project implementation. The Gender Action Plan must include indicators, targets, timeframe, responsible party, and budget, which are linked to the project's components/outputs, outcomes, and activities. As part of preparing the Gender Action Plan, indicators should be proposed for inclusion in the Results Framework to facilitate the monitoring of the proposed gender mainstreaming actions.

See the guidance available [here](#)

(<https://intranet.undp.org/unit/bpps/sdev/gef/SitePages/Gender.aspx>).

## Social and Environmental Standards: Screening and Management Measures

In line with the assessments conducted during **Component A** (above) and [UNDP's Social and Environmental Standards \(SES\) policy and all associated SES Guidance Notes](#)

(<https://popp.undp.org/SitePages/POPPSubject.aspx?SBJID=447>), the SESP will be updated. All risks identified in the SESP will be reflected in the risk table and risk section of the ProDoc, and in the [Project's Risk Register](#)

([https://popp.undp.org/\\_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP\\_POPP\\_DOCUMENT\\_LIBRARY/Public/PPM\\_Project%20Risk%20Register%20Description%20and%20Offline%20Template.docx&action=default&DefaultItemOpen=1](https://popp.undp.org/_layouts/15/WopiFrame.aspx?sourcedoc=/UNDP_POPP_DOCUMENT_LIBRARY/Public/PPM_Project%20Risk%20Register%20Description%20and%20Offline%20Template.docx&action=default&DefaultItemOpen=1)).

The SES Framework(s) will identify the required management plans that will be prepared during project implementation.

Based on the required targeted assessment(s), the relevant stand-alone management plan(s) will be prepared: *The ESMF will identify the required management plans that will need to be prepared during project implementation.*

See the [SES Guidance Note on Assessment and Management](#)

([https://info.undp.org/sites/bpps/SES\\_Toolkit/SES\\_Document\\_Library/Uploaded\\_October\\_2016/UNDP\\_SES\\_Assessment\\_and\\_Management\\_GN\\_rev\\_July2022.pdf](https://info.undp.org/sites/bpps/SES_Toolkit/SES_Document_Library/Uploaded_October_2016/UNDP_SES_Assessment_and_Management_GN_rev_July2022.pdf)) for further guidance. Please contact UNDP for additional information as needed.

# GEF and LDCAF/SCCF Core Indicators

The CEO endorsement-stage data for the relevant Core Indicators and sub-indicators will be prepared.

For GEF Trust Fund projects, the completed [GEF-8 Core Indicators Worksheet](https://www.thegef.org/documents/gef-8-core-indicators-worksheet) (<https://www.thegef.org/documents/gef-8-core-indicators-worksheet>)- with both the original PFD/Child -stage data and the CEO endorsement-stage data?will be annexed to the ProDoc.

The relevant Core Indicators will be included in the project?s Results Framework at the Objective level, where appropriate. See the [GEF Guidelines on Core Indicators and Sub-indicators](https://www.thegef.org/documents/results-framework) (<https://www.thegef.org/documents/results-framework>).

## Completion of the required official endorsement letters

These letters include the official letters on the co-financing guarantee(s) from participating government institutions, bilateral development partners, multilateral development partners, NGOs, the private sector, or others who wish to provide cash or in-kind contributions to the project.

A GEF OFP endorsement letter will also be required for any new participating countries to a global or regional program/project not included in the PIF/PFD submission.

Updated GEF OFP endorsements letters are also required if the requested GEF grant amount has changed since PIF/PFD approval.

## Mandatory Annexes

In addition to the documents listed above, the following Annexes should be prepared by the GEF PPG team:

- ? Project map and Geospatial Coordinates of project sites
- ? Multi-Year Work Plan
- ? Monitoring Plan
- ? UNDP Risk Register
- ? Overview of Technical Consultancies

- ? GEF 7 Taxonomy
- ? Initial Project Procurement Plan and TORs for key Project staff

Upon a request from the RTA during the PPG implementation, the PPG team may be required to prepare additional annexes.

## Project Management Arrangements

Based on the stakeholder analysis and consultations undertaken in **Component A** above, agreement(s) on project management and governance arrangements?including roles, responsibilities, and accountabilities of lead and partner Agencies?will be secured early in the project development phase and will be fully detailed in the ProDoc. Standard text from the governance and management arrangement from the GEF-8 template should never be removed.

## Component C: Validation Workshop and Report

A validation workshop will be held with relevant stakeholders to present, discuss and validate the project activities and the final draft of the UNDP-GEF project document. A validation workshop report will be prepared for projects with an overall safeguards risk rating of moderate or high.

4. TORs National PPG Coordinator, institutional and Policy Expert

Type: NPSA

Cost per person-week: US\$2,000

Number of person-weeks needed: 12 (60 days)

Role

The National PPG Coordinator, institutional and Policy Expert will be the lead national consultant. This must be a senior consultant with recognised expertise in the management of chemicals and value chains in the productive sector. (S)he would oversee and coordinate the PPG process throughout its

entire duration and be responsible for the overall coordination of processes and consultations needed for project development and the preparation of the UNDP-GEF Project Document and the GEF CEO Endorsement Form, in direct collaboration with the international coordinator and national/international consultants.

The role of the PPG Coordinator includes the supervision and coordination of the national consultants; the hiring of consultancies and/or consultants; and, ensuring the delivery of necessary information for project preparation. The PPG Coordinator role also includes coordinating the consultation processes with national and international project partners and stakeholders at the different stages of the PPG phase and facilitating the flow of information and communication between the various consultants involved in the project's preparation, including communication with the international coordinator.

#### Deliverables

? Management of the PPG team:

? Support the GEF PPG Team Leader with management of the PPG Team, ensuring coordination between individual national consultants;

? Preparatory Technical Studies and Reviews (Component A):

? Prepare inputs and support the required analyses/studies, as agreed with the GEF PPG Team Leader, including:

? Compile baseline/situational analysis for the full-size project (FSP). This will include a precise definition of baseline projects, activities, budgets, goals and co-financial links to GEF outcomes; definition of GEF incremental value per outcome and output; and presentation of results of the incremental cost-analysis in matrices as appropriate;

? Support the application of the screening of SES risks, identification, categorization and determination of assessment and management plans and mitigation measures, and inform the Team Leader and SES expert, to inform project design

? Oversee the stakeholder analysis and consultations and ensure that they are complete and comprehensive;

? Ensure the preparation of the gender analysis and ensure its findings are meaningfully integrated into the project's strategy, theory of change and results framework;

? Ensure action points, including risk assessments, from the UNDP Social and Environmental Screening Procedure (SESP) at the conceptstage (?pre-screening?) are fully implemented during the PPG, and update that screening in an iterative fashion throughout the PPG, as appropriate;

? Conduct/oversee the identification of the project sites, with documentation of selection criteria;

? Oversee the consultations with partners regarding financial planning; and

? Ensure completion of any additional studies that are determined to be needed for the preparation of the ProDoc and all other final outputs.

? Support the completion of any additional studies that are determined to be needed for the preparation of the ProDoc and all other final outputs as guided by the PPG Team Leader.

? Assess the presence of indigenous peoples/ethnic minorities withi the project landscapes and their interests, and determine if FPIC applies in accordance with national contexts and preferences.

? Formulation of the ProDoc, CEO Endorsement Request and Mandatory and Project Specific Annexes (Component B):

? Develop, present and articulate the project?s theory of change;

? Develop the Results Framework in line with UNDP-GEF policy;

? Develop a detailed Monitoring and Evaluation Plan and Budget;

? Oversee and ensure the preparation of a Stakeholder Engagement Plan;

? Oversee and ensure the preparation of a Gender Action Plan and Budget;

? Update the SESP based on assessments undertaken during Component A, and ensure the development of environmental and/or social management plan(s) for all risks identified as Moderate or High in the SESP;

? Prepare the required GEF tracking tool(s);

? Secure and present agreements on project management arrangements;

? Ensure the completion of the required official endorsement and cofinance letters; and

? Synthesize all analyses, studies, etc. that are prepared under Components A and B to produce the draft UNDP-GEF ProDoc, GEF CEO Endorsement, and all mandatory and project specific Annexes, using the required templates.

? Complete the stakeholder engagement plan, based on information gathered in component A.

? Ensure the Stakeholder engagement plan is socially inclusive and gender responsive

? Validation Workshop (Component C):

? Contribute to the validation workshop; and

? Support all necessary revisions that arise during the workshop, as appropriate.

? undertake one (1) week mission to the implementation sites to gather primary information, with the National PPG experts: PPG coordinator, Textile expert, construction expert) to visit priority communities/locations, launch baseline assessment activities and train national experts on the baseline methodology

? Final Deliverables:

? Consolidation of all technical and consultation inputs including from national stakeholders, UNDP, GEF Secretariat, STAP and GEF Council, into a well written and concise UNDP ProDoc with all required sections and Annexes, in line with the standard UNDP-GEF ProDoc template and annotated guidance;

? Complete the Stakeholder engagement plan

? Completion of the GEF CEO Endorsement Request;

? All documentation from GEF PPG (including technical reports, etc.); and

? Validation Workshop Report.

#### Qualifications

? Graduate degree or higher in a relevant field, such as Project management, environmental, chemical, industrial Engineering, natural sciences or similar;

? Minimum 5 years of demonstrable experience in the technical area of Project management;

? Minimum 2 works with at least one of the value chains (textile/construction)

? Fluency in written and spoken English and Spanish;

? Working experience with of GEF Projects is desirable

### 8.3 Source of Funds

**Does the sources of funds table match with the amounts in the OFP's LOE?**

**Note: the table only captures sources of funds from the country's STAR allocation**

Secretariat comment at CEO Endorsement Requestna

Agency Response

**8.4 Confirmed co-financing for the project, by name and type: Are the amounts, sources, and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines?**

**e.g. Have letters of co-finance been submitted, correctly classified as investment mobilized or in-kind/recurring expenditures? If investment mobilized: is there an explanation below the table to describe the nature of co-finance? If letters are not in English, is a translation provided?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

Letters of co-finance have been provided and are well noted to show the ongoing work and commitments of public and private partner in Ecuador. Please address the following:

1. Manufactura: 87% of the total amount is specified as being their 2023/2024 budget and hence will not align with the project implementation period.

2. Please provide detailed information on the nature and allocation of the in-kind contributions (e.g., staff wages, facilities, travel, transportation) for AGROCALIDAD and Ministerio del Ambiente, Agua y Transición Ecológica (MAATE) sources of co-financing. For now, you may include this information in the co-financing description field in Annex A or within the applicable sections of the form. However, please ensure that these details are also included in co-financing letters for future projects.

(10/30/24)

1. Thank you and noted.



2. The letter provides that this is for "salaries and mobilization of technicians who carry out control work, file analysis, promotion of good production practices and dissemination of knowledge during the project implementation period (six years)" As noted, in future provide more detail within these categories. Cleared.

#### Agency Response

1. **Thanks, an updated cofinancing letter will be uploaded to address to this comment.**

2. **added**

#### Annex B: Endorsements

**8.5 a) If ? and only if - this is a global or regional project for which not all country-based interventions were known at PIF stage and, therefore, not all LOEs provided:**

**Has the project been endorsed by the GEF OFP/s of all GEF eligible participating countries and has the OFP name and position been checked against the GEF database at the time of submission?**

Secretariat comment at CEO Endorsement Request NA

#### Agency Response

**b) Are the OFP endorsement letters uploaded to the GEF Portal (compiled as a single document, if applicable)?**

Secretariat comment at CEO Endorsement Request(7/25/2024) yes

#### Agency Response

**c) Do the letters follow the correct format and are the endorsed amounts consistent with the amounts included in the Portal?**

Secretariat comment at CEO Endorsement Request(7/25/2024) The LOES were reviewed at PFD stage.

#### Agency Response

##### Annex C: Project Results Framework

**8.6 a) Have the GEF core indicators been included?**

**b) Have SMART indicators been used; are means of verification well thought out; do the targets correspond/are appropriate in view of total project financing (too high? Too low?)**

**c) Are all relevant indicators sex disaggregated?**

**d) Is the Project Results Framework included in the Project Document pasted in the Template?**

**e)[If a regional/global coordination child project under an integrated program] Does the results framework reflect the program-wide result framework, inclusive of results from child projects and**

**specific to the regional/global coordination child project? [If a country child project under an integrated program] Is the child project result framework inclusive of program-wide metrics monitored across child project by the Regional/Global Child project?**

Secretariat comment at CEO Endorsement Request

(7/25/2024)

- Yes, core indicators are provided (just not labeled with CI #)

1. Please include gender target e.g. for loan applications (Indicator 9 of the RF); jobs created (indicator 12);
2. KM (Indicator 12) - please correlate with the table that is to be provided on KM products, timeline, budget. A count of "1" at midterm and "5" and end of project without specific what is counted is not meaningful.
3. The indicators in the results framework do not allow to align how the components will add up to the GEBs anticipated. The MTR will need to transparently assess how the project is moving along in the projected GEBs.
4. Editorial: Please widen the column width of the last column to make it readable.

(10/30/24)

1. Addressed.
2. This is now indicator 15. The comment added in the MTR column is not readable as it has only 1 - 2 letters in each row. **Please format for better readability.** The explanation for the target of 5 at end of project is clear.
3. Thank you. Noted as comment to be addressed *during implementation*.
4. The risk column is still extremely narrow. **Please try to address to the best of what is possible in the portal.**

(11/12/24)

Formating works now.

Comments addressed.

## Agency Response

1. **Done.**

2. In accordance with the scope of Activity E.2.i *Designing and implementing an information and communication outreach strategy for multi-stakeholder dialogues and partnerships?*, Indicator 12 on knowledge management was enhanced in for Mid-term and End-of-Project in the following way: *Item produced and disseminated at the national and international levels such as audiovisual publications of success stories, technical manuals and/or best practices publication of materials for the dissemination of information compilation of lessons learned and knowledge acquired?*.

3. This comment will be fully considered during implementation of the project.

Precisely, for adding up the anticipated GEBs, paragraph 99 on page 62 of Section IV of the Project Document indicates that the analysis carried out during the PPG identified the territories with the highest production of artisanal bricks, tiles, cotton, abaca, bamboo, and other crops. This analysis also identified the use of hazardous chemicals in the construction and textile value chains, such as asbestos, lead, PFAS, flame retardants, and dyes. Within this framework, GEBs were calculated through consultations with public entities and private companies, in order to create a pipeline of pilot projects as presented in Table 8 on page 62 of the Project Document *Proposals for pilot interventions for projects in Ecuador?*.

4. **Done**

(10/30/24)

2 & 4. tried several types of reformatting for the PRF. We managed to make it a bit easier to read on the portal. The PRF looks fine on the CEO ER and PRODOC word versions.

### **Annex E: Project map and coordinates**

**8.7 Have geographic coordinates of project locations been entered in the dedicated table? Are relevant illustrative maps included?**

Secretariat comment at CEO Endorsement Request(7/25/2024) yes

## Agency Response

### **Annex F: Environmental and Social Safeguards Documentation and Rating**

**8.8 Have the relevant safeguard documents been uploaded to the GEF Portal? Has the safeguards rating been provided and filled out in the ER field below the risk table?**

Secretariat comment at CEO Endorsement Request(7/25/2024) yes

## Agency Response

### Annex G: GEF Budget template

**8.9 a) Is the GEF budget template attached and appropriately filled out incl. items such as the executing partner for each budget line?**

**b) Are the activities / expenditures reasonably and accurately charged to the three identified sources (Components, M&E and PMC)?**

**c) Are TORs for key project staff funded by GEF grant and/or co-finance attached?**

### Secretariat comment at CEO Endorsement Request

(7/25/2024) The budget is provide in the correct format. TORs are provided in the agency prodoc/annex 7. Please though address the following:

1. Two "Project coordinator"s are being charged across components. Per Guidelines, the costs associated with the project"s execution must be covered by the GEF portion and the co-financing portion allocated to PMC.

2. Please request the agency to itemize the budget table with a detailed description for each expense, avoiding aggregation of different items in a single line. Additionally, we recommend using brief and clear descriptions to enhance the table's readability instead of references to additional documents. We also recommend to include each position, be it staff or consultant, in one line rather than spread one position into several lines/rows.



(10/30/24)

**1.Contractual services-Individual:** The budget table could make this more clear how the numbers add up as percentages of several staff are charged to this line (copied below). **Day to day management and procurement etc. are costs to be charged to PMC and not to the components. Annex 7 does not make it clear enough either which percentage of staff is charged to PMC and which percentage is charged to the components. Please provide separate lines for each position (please do not aggregate as this makes the budget hard to follow).**

For easy reference, the description on the budget line charged to components is copied here:  
*"Current budget line for technical works in the endorsement request is noted as "Two National Individuals (Staff): 20% of the Project Coordinator's costs for 5.5 years: they will undertake day-to-day project implementation, administration, procurement and management activities at USD\$42,500 per year (USD\$8,500 per year will be charged to this component), and 20% of the Project's Gender, Social and Environmental Safeguards Specialist costs for 5.5 years: they will support the implementation of the Gender Action Plan and perform day-to-day monitoring of*

*Social and Environmental Risks at USD\$32,500 per year (USD\$6,500 per year will be charged to this component), See annex 7 for additional details"*

**2. Not addressed. See above. Please provide separate lines for each position (please do not aggregate as this makes the budget hard to follow) in the GEF budget template.** Note: The GEF budget template and the UNDP template do not have to be identical. It is understood that UNDP may require a more detailed or otherwise different presentation of the budget in the prodoc. **Yet, the GEF endorsement request in the portal has to include the GEF standard template** to allow GEFSEC to assess the budget given that we work with eighteen GEF agencies.

(11/12/2024)

**1. and 2 Not addressed:**

Please instead of **ONE budget line for each position.** While the UNDP budget combines these under one line for "Contractual services-Individual" (and that is understood and can remain as is **in the UNDP budget template**; see comment 2 above from October 30), please enter separate budget lines (only) for each position **in the GEF budget template.**

For each position, indicate the amount charged to components and/or PMC or M&E. Specifically, the project manager/coordinator **clearly has to have all or at least part of her/his time charged to project management (PMC)**. This divide between technical and management/coordination tasks should **align with the TORs for that position where this split should be clearly indicated** (incl. percent time spent on coordination/mmgt. versus percent spent on technical tasks).

(11/18/2024)

- We note that budget lines related to consultants/staff now only address one staff at a time. While from GEFSEC point of view it seems unnecessary to e.g. now have six budget lines for the project manager (with included percentage of time), we nevertheless note that these percentages add up to 100%. **IN FUTURE**, please simplify this and only provide ONE budget line for each key consultant/staff and provide budget figures (according to effort and % of time) in the columns for each component, PMC and/or M&E in that (One) budget line for a specific position. Please also clearly indicate in the TORs the corresponding percentage/effort per component and/or PMC for the respective person. Cleared (for this project only, but not for future projects).

- We do note and appreciate that some staff time for the project manager/coordinator is now charged to PMC. Based on your email we do understand that you had to go back to all stakeholders to accommodate this change in the budget. Nevertheless the time allocation for management is extremely small (5 & charged to PMC). Given the time tightline we approve this for now but expect this to be addressed in the next budget revision and be reported at MTR.

- Key consultants, e.g. consultant on Sustainable Production of Textiles, consultant on Sustainable Production of Construction Material etc.: these consultant budgets are individually relatively modest @ 10K/year and @20K/year respectively. Nevertheless, neither the UNDP budget notes, nor the TORs, nor the GEF budget template provide any idea on either the # of days or the estimated daily rate for these consultants. As the contracts are limited in amount we approve this here, but please note that this is not standard/good practice and more transparency to indicate effort and time/money is expected in future.

**Please address the following comments based on additional policy review:**

**On the budget:**

a. Though there is a Managerial approval for UNDP to carry out some executing functions, still UNDP included the Direct Project Services in the budget table. Please ask the Agency to remove the Operational support services from the budget table and internalize these costs through the Agency Fee.

b. The total for each component in the new budget table is different from the amount specified in the project overview table. Furthermore, the overall total of the Budget table is different from the total GEF Financing of the project. Please request the agency to revise the budget table.

(11/22/204)

a. The budget line was been removed. **Cleared.**

b. The totals for the components and as well as the total GEF financing in the budget table and the project overview table match. **Cleared.**

**Agency Response**

1. Only one project coordinator is expected to be recruited. Please see Annex 7: Overview of Technical Consultancies/Subcontracts of the PRODOC, where technical activities are linked to the Project Coordinator's tasks.

2. Please note that the image does not show up on the comment.

Kind request to review the TBWP on the UNDP Prodoc for a more detailed description of the expenditure activities.

the descriptions included follow the budget notes as on the TBWP. The TBWP is based on the structure of UNDP's ERP and follows its internal IPSA accounting rules, which require for all categories of expenditures to be included under each account, output, outcome and component.

Modifying the budgets through an itemization would not allow for an adequate functioning of the ERP systems for the tracking of budgets and expenditures.

(10/30/24)

GEF budget amended and re-uploaded

(11/13/24)

R. GEF budget amended and re-uploaded as requested.

The project administrator's position is expected to undertake administrative tasks, linked to the management of the project.

The project coordination on the other hand, is tasked with technical activities, linked to the overall implementation of the project's components. Very limited management activities are expected to be undertaken. This will however, be evaluated / validated, during PIR reporting.

The budget notes indicate the percentage of the position's budget charged to each component, which is proportional to the time invested.

Details on the expected activities to be undertaken by each position, as agreed with the EA and stakeholders during the validation workshop, are included in Annex 7.

(11/18/2024)

TORs have been updated to include percentage of salary distribution per project component.

a.

Operational support services have been removed from the Budget.

We have also included the budget distribution per component on the Annex 7 TORs.

b.

We confirm that the overall Grant amount / total GEF Financing was not altered. We reviewed the tables and GEF budget and the figures match the figures on the Child Project Description Overview table. The budget as submitted on the PRF included 200K for M&E which was reduced to \$166,500 (3%) during Project Review. The balance was redistributed among the technical component, which resulted in a change in the budget per component for the Child FSP submission.

**Annex H: NGI Relevant Annexes**

**8.10 a) Does the project provide sufficient detail (indicative term sheet) to assess the following criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide**

comments.

**b) Does the project provide a detailed reflow table to assess the project capacity of generating reflows? If not, please provide comments.**

**c) Is the Agency eligible to administer concessional finance? If not, please provide comments.**

Secretariat comment at CEO Endorsement RequestNA

Agency Response

**Additional Annexes**

## **9. GEFSEC DECISION**

### **9.1.GEFSEC Recommendation**

**Is the project recommended for approval**

Secretariat comment at CEO Endorsement Request

(7/25/2024) and (9/9/2024) Please revise according to the comments provided. Please feel free to reach out to GEFSEC if a short discussion of the comments with GEFSEC may be helpful before the revisions.

(10/11/2024) As discussed some of the changes you made seems to not have been saved in the portal. I am therefore sending the project back to you without further review to revise/reupload sections as needed. Kind regards.

**(10/31/2024)** Please address the few remaining comments for quick turn around to allow 4 week circulation and endorsement before the project launch (and latest before the cancelation deadline).

**(11/12/2024)** Please address the remaining comments for technical clearance. Additional policy comments are possible in a final combined review.

**(11/18/2024)** Please address comments on the execution support letter and on the budget and resubmit.

**(11/22/2022)** The two comments have been addressed and the project is technically cleared and recommended for endorsement.

### **9.2 Additional Comments to be considered by the Agency during the inception and implementation phase**

Secretariat comment at CEO Endorsement Request

1. At MTR please transparently assess and report how the project is moving along in the projected GEBs.

2. Please report on the implementation of gender related actions and specifically on both inclusion and protection of women in PIRs, MTR and TE.



3. *During the project inception phase a quantitative baseline for targeted hazardous substances needs to be established in order to report on reduction over the reporting timeline of the project. Please report on baseline in first PIR, and on reduction of haz. chemicals in both supply chains at MTR and TE.*

4. The percentage of the project manager covered by PMC needs to be reevaluated versus his TOR and increased from the current percentage. Please take during budget revisions and report at MTR.

**9.3 Review Dates**

	<b>CEO Approval</b>	<b>Response to Secretariat comments</b>
<b>First Review</b>	<b>7/25/2024</b>	
<b>Additional Review (as necessary)</b>	<b>10/31/2024</b>	
<b>Additional Review (as necessary)</b>	<b>11/12/2024</b>	
<b>Additional Review (as necessary)</b>	<b>11/18/2024</b>	
<b>Additional Review (as necessary)</b>	<b>11/22/2024</b>	