

Sound Management of Unintentional Persistent Organic Pollutants (POPs) and Polychlorinated Biphenyl Ether (PBDEs) to Reduce their Emission from the Industrial Waste Sector

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

9263

Countries

Cote d'Ivoire

Project Name

Sound Management of Unintentional Persistent Organic Pollutants (POPs) and Polychlorinated Biphenyl Ether (PBDEs) to Reduce their Emission from the Industrial Waste Sector

Agenices

UNIDO

Date received by PM

5/29/2019

Review completed by PM

7/11/2019

Program Manager

Ibrahima Sow

Focal Area

Chemicals and Waste

Project Type

FSP

PIF

CEO Endorsement

Project Design and Financing

1. If there are any changes from that presented in the PIF, have justifications been provided?

Secretariat Comment at CEO Endorsement

Changes are well aligned with the project design and are in support of the project objectives: The Government has signed an agreement with a Global Private Company to provide control, management and disposal of e-waste. The said company will, on behalf of the Government collect ecotaxes in order to carry out inspection and verification program of exports of all electronic and electric equipment and new and used tires for shipment.

However I would like to see a detailed description of the ecotaxes collection mechanism from countries of export, including participation of relevant national institutions, ie. Customs and Finance Department, an estimate of resources collected and how these resources will be re-injected in the business operations for the sound management of e-waste to reduce UPOPs and PBDE emissions.

9 July: IS: comment cleared

Response to Secretariat comments

Revisions have been reflected in paragraph 0 ("major changes in alignment with the project design with the original PIF), paragraph 76, 78 and 79.

The SGS Renovo E-waste management Solution is divided in 3 modules, namely: 1. Registration and Inspection; 2. Eco Levy Collection; 3. Support Development of waste management infrastructures for electrical and electronic equipment, second-hand tires and used tires. SGS was selected by the Government of Cote d'Ivoire to implement an Extended Producer Responsibility system, collect eco-levy and develop domestic recycling infrastructure in the country. In addition to the agreement signed between the Government of Côte d'Ivoire and SGS on an e-waste and used tires management solution, UNIDO and SGS have signed a Memorandum of Understanding (MoU) on 27 May 2019 in Vienna (Austria) (<https://www.unido.org/news/unido-and-sgs-partner-develop-national-e-waste-management-capacities>) to jointly develop national electronic waste management capacities. The Memorandum of Understanding formalizes area of cooperation as described in the CEO document, paragraph 78.

- The eco-tax collection mechanism

Regarding the eco-levy collection mechanism and per our knowledge, the first step of the eco-levy collection is the registration and inspection of all electric and electronic equipment, as well as second-hand tires to be exported to the Côte d'Ivoire where Renovo solution is in place. This type of equipment should be registered on the SGS exporter portal prior to export. Payment of the eco-tax is made on the exporter portal and all e-equipment is automatically registered, while e-waste is banned from export. Proof of payment of the eco-levy is mandatory for export authorization, and inspection of all exported goods including second-hand electronic and electric equipment, is made before export as part of the conformity assessment already performed by SGS worldwide (for more information: <https://www.sgs.com/en/public-sector/product-conformity-assessment-pca>).

Indeed, after payment, the exporter receives a certificate of eco-fees that he will present to the Ivorian authorities. It will mark the end of the second SGS module.

- The participation of the competent national institutions

Ministry of Commerce or the General Directorate of Customs will be responsible for requiring the operator's eco-tax certificate, which is a prerequisite for any clearance of the goods. The customs are under the supervision of the Ministry of Budget and the State Portfolio.

The Ministry of Environment and Sustainable Development, the project's depository through its national waste management strategy, has to report to the government on the progress of the project and produce seasonal reports.

All the above are in line with Decree 2017-217 on the environmentally sound management of electronic and electric equipment and used tires entered into force on April 5 2017 (provided in Annex P).

- Resources estimation

Please note that launching of the Modules 1 and 2 by the Minister of Environment and Sustainable Development will take place on Thursday 27th of July, 2019.

Estimation of the eco-levy will be based on the quantities of electronic and electric equipment entering Côte d'Ivoire from July 08, 2019 onwards. The amount of eco-levy collected for electronic and electric equipment and used tires in Cote d'Ivoire is a fix price per item, as detailed in document available on the following link and provided in attachment: <https://www.sgs.com/-/media/global/documents/third-party-documents/hs-code-product-list-in-euro.pdf>. An HS Code (Annex Q) and a related eco-fee amount is assigned to each item subject to the regulation. When a product is registered on the Exporter Portal, an HS Code is registered and calculates the eco-levy to be paid on the portal, prior to shipment. Proof of payment of eco-levy has to be shown at customs upon arrival of the shipment in the country for clearance.

- How these resources will be re-injected into the business operations in order to rationally manage e-waste to reduce UPOP and PBDE emissions?

Regarding the use of resources collected through the eco-levy, SGS representatives said at the occasion of signature of the Memorandum of Understanding with UNIDO that a verification system would be in place to ensure that funds transferred to the Government would be only used to invest in the recycling infrastructure as per agreement with SGS.

Agreement is reached with the country to invest in infrastructure and to partner with a domestic sub-contractor, which would be tasked with implementing recycling facilities. Funds of the eco-levy will be transferred to the Government (State Secretariat to the Minister in charge of Budget and State portfolio) on a dedicated eco-

account (called the National Fund for the Environment - FNDE) and SGS will be part of a control mechanism (Steering Committee) for funds use and release. The funds eco-account will serve to finance the development of domestic collection and recycling value chain. With regards to the inclusiveness of the value chain and in line with the area of cooperation reflected in the Memorandum of Understanding between the two parties and the inclusive and sustainable industrial development objective of UNIDO, SGS has declared that it would set up a registration scheme in order to bring existing informal actors (collectors, dismantlers) in the formal economy.

SGS and UNIDO through this GEF project will work along the agreements stated in paragraph 78 that:

"During PPG, consultations started with the Ministry, SGS and UNIDO to cooperate on domain of interventions. The Minister of Environment, in a letter from March 27 2019 recognized the existing synergy and the relevance for cooperation between SGS and UNIDO. As of April 4, 2019, the proposed grand lines of framework for collaboration with SGS are the following:

- a) In the context of the SGS-Renovo 3-module solution operationalizing the "polluter pays" and "extended producer responsibility" principles, SGS facilitates the establishment by authorities of e-waste recycling centers as part of a national infrastructure for e-waste management.
- (b) In the context of GEF-UNIDO projects (national and / or regional), UNIDO may construct storage centers for electrical and electronic wastes from the existing informal sector and future resellers.
- (c) UNIDO provides technical assistance to private actors in charge of the manual collection and dismantling of e-waste, in order to ensure the participation of the formal and informal sector already active in the recovery of such waste; the main objective being to promote the upgrading of industrial operations and to ensure the separation of POPs-containing materials.
- (d) Recycling center (s) mentioned in point (a), shall accommodate the e-waste previously subjected to sorting and possibly pre-treatment operations, with the exception of plastics treated by existing retraining actors, whose skills will be strengthened by UNIDO to promote private sector participation in the circular economy.
- (e) UNIDO provides technical assistance to ensure compliance of the operations of the infrastructures with best available techniques and best environmental practices for the environmentally sound management of POPs;
- (f) UNIDO may contribute to the revision and strengthening of the existing legal framework and institutional capacity for the environmentally sound management of POPs, polybrominated diphenyl ethers (PBDEs) and unintentional POPs emissions (uPOPs).
- (g) UNIDO may help building the capacity of individuals in the informal sector and associations involved in recycling and waste disposal operations, promote the health of individuals and support the improvement of working conditions.

By saying the above, this GEF- UNIDO project will promote an enabling regulatory framework for e-waste management and will strengthen technical capacities of existing companies to improve sound management of e-waste and POPs-containing part separation and to reduce POPs.

2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?

Secretariat Comment at CEO Endorsement

Para 79: It is mentioned a Hewlett-Packard initiative to implement a project for the recovery of e-waste in Abidjan. Please provide details about this initiative. How is it correlated with the GEF/UNIDO project? Do the volumes of e-waste produced in Cote d'Ivoire justify the establishment of two e-waste facilities?

9 July: IS: Comment cleared

Response to Secretariat comments

Please note that the Hewlett-Packard initiative was aimed to be implemented prior to the SGS initiative and has now been abandoned, because it required a regulatory framework that could not be implemented. The paragraph 79 in the CEO endorsement has been deleted . This GEF project does not establish a new e-waste facility; the project objective is rather to reinforce technical capacities of existing e-waste dismantlers for them to properly manage plastic waste and ensure segregation of POPS-free plastics from PBDE-containing plastics. The project will also reinforce technical capacities of a plastic recycler, as a pilot initiative, in order to improve business outcome for proper management of plastic waste deriving from e-waste dismantling/recycling.

3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?

Secretariat Comment at CEO Endorsement

Yes. We note a strong presence of private companies to deal with recycling and treatment activities. These companies bring considerable co-financing to the project. The project co-financing increases from USD 27 million (PIF) to USD 68 million (CEO endorsement).

Under Component 3 (Outcome 3.1: Sound management of plastic materials from e-waste and end-of-life vehicles improved by setting up an environmentally sound recycling business operation)) It is mentioned that the possibility of mobilizing funds from financial institutions will be explored to ensure the sustainability and potential for scaling up of the project. Please list those financial Institutions and explain what types of mechanisms (grants, loans, equity, etc...) are foreseen.

9 July: IS: Comment cleared

Response to Secretariat comments Please see revised paragraph 142: Several meetings have been undertaken by UNIDO HQ team and national coordinator in the framework of an ongoing GEF-funded project in Cote d'Ivoire (GEF 9130: Cities-IAP: Abidjan Integrated Sustainable Urban Planning and Management). The BICICI in Abidjan (Banque internationale pour le commerce et l'industrie de la Côte d'Ivoire) has agreed to host a financial mechanism, in collaboration with UNIDO, to improve funding opportunities for pilot projects. Financial mechanism aims to use some project-funds to create a guarantee fund that will improve liability of SMEs and ease their access to loans for green investments. Consultations with this financial institutions have confirmed that other type of financial mechanisms could be created, such as revolving fund, equity fund etc, and that possibility to mobilize funds could benefit other projects. Consultations will continue after project approval.

4. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk response measures? (e.g., measures to enhance climate resilience)

Secretariat Comment at CEO Endorsement Yes

Response to Secretariat comments

5. Is co-financing confirmed and evidence provided?

Secretariat Comment at CEO Endorsement

Please provide the co-financing letter from UNIDO

I would also like to see a co-financing matrix table with a detailed breakdown of resources across the different project components and activities.

9 July: IS: Comment cleared

Response to Secretariat comments

- We had problems uploading the UNIDO co-financing letter within the co-financing table. It has been uploaded in "RoadMap" under "project supporting document".

- Co-financing matrix table has been uploaded as Annex O.

6. Are relevant tracking tools completed?

Secretariat Comment at CEO Endorsement Yes.

Response to Secretariat comments

7. Only for Non-Grant Instrument: Has a reflow calendar been presented?

Secretariat Comment at CEO Endorsement NA

Response to Secretariat comments

8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?

Secretariat Comment at CEO Endorsement

Yes

Response to Secretariat comments

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

Secretariat Comment at CEO Endorsement Yes

Response to Secretariat comments

10. Does the project have descriptions of a knowledge management plan?

Secretariat Comment at CEO Endorsement Yes.

Response to Secretariat comments

Agency Responses

11. Has the Agency adequately responded to comments at the PIF stage from:

GEFSEC

Secretariat Comment at CEO Endorsement Yes

Response to Secretariat comments

STAP

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

GEF Council

Secretariat Comment at CEO Endorsement 12 September 2019: Agency responded to all comments from the German Council member.

Response to Secretariat comments

Convention Secretariat

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

Recommendation

12. Is CEO endorsement recommended?

Secretariat Comment at CEO Endorsement

Not at this point. Please address comments

9 July: IS: Agency responded to GEFSEC comments. The project is recommended for CEO approval

Response to Secretariat comments

Review Dates

Secretariat Comment at CEO Endorsement

Response to Secretariat comments

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		

CEO Recommendation

Brief Reasoning for CEO Recommendations

The issue of e-wastes and end of life vehicle is a challenge in many African countries, which are recipient of used electrical and electronic products as well as second-hand vehicles from more advance countries.

In Cote d'Ivoire, the waste streams of waste of electronic and electric equipment (WEEE) and end-of-life vehicles (EVLs) are a growing concern, particularly, since electronic products are becoming increasing affordable for the Ivorian population. However, these waste streams are commonly being mixed or disposed of with other non-toxic waste streams rather than properly dismantled, recycled or treated in accordance with relevant best available techniques and best environmental practices (BAT/BEP) adopted by the Stockholm Convention.

The project aims at establishing a system for effective management of polybrominated diphenyl ethers (PBDE) which is a flame retardant found in many electronic products and avoidance of unintentional persistent pollutants (UPOPs) emissions, with a focus on e-wastes and end-of life vehicles.

The project has four components: (1) Legal framework and institutional capacities, (2) Upgrading the technical capacity for the sound management of PBDEs and reduced unintentional POPs emissions, (3) Establishment of business operation with sound management of plastic materials, and (4) Monitoring and Evaluation.

Innovation: Waste is not viewed simply aa a nuisance. Rather, it is also framed as a resource that may be used to spur economic growth and provide job security, if it is handled and managed properly. Several of the innovative, pilot initiatives proposed in this project, for instance, the waste management plant and scheme for the commune of San Pedro, will be able to serve as examples for other cities in Cote d'Ivoire.

Sustainability: A business-oriented approach will be used for sustainable waste management, coupled with widespread public sensitization and awareness raising, and complemented by strong government commitments. The scale up possibility of the project will be sought by linking the project's activities to the business opportunities while internalizing the externalities. An agreement was recently signed between the Ministry of Environment and a global private company to provide control, management and disposal of electrical and electronic equipment and used tires in Cote d'Ivoire. The said company is mandated to implement an Extended Producer Responsibility (EPR) system, collect eco-levy and develop domestic recycling infrastructure in the country. The proposed waste management solution is divided in 3 modules, namely: 1. Registration and Inspection; 2: Eco levy collection; 3: Support development of waste management infrastructures for electrical and electronic equipment, second-hand tires and used tires.

GEBs: The project will improve dismantling and recycling process of e-waste and end-of-life plastic parts and will demonstrate the proper processing of at least 1000 tons of WEEE and ELV waste, divided into 900 tons of ELV (600 vehicles) and 100 tons of WEEE

Co-financing: We note a strong presence of private companies to deal with recycling and treatment activities. These companies bring considerable co-financing to the project. The project co-financing increases from USD 27 million (PIF) to USD 68 million (CEO endorsement).

