

Environmentally sound management of hazardous wastes containing POPs and Mercury

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10721

Countries

Panama

Project Name

Environmentally sound management of hazardous wastes containing POPs and Mercury

Agencies

UNDP

Date received by PM

12/9/2021

Review completed by PM

5/6/2022

Program Manager

Evelyn Swain

Focal Area

Chemicals and Waste

Project Type

FSP

PIF
CEO Endorsement

Part I ? Project Information

Focal area elements

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

Secretariat Comment at CEO Endorsement Request

Yes, the project remains aligned with the PIF.

Agency Response

Project description summary

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

Secretariat Comment at CEO Endorsement Request Yes, the project design is appropriate and aligned with the PIF.

Agency Response

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Co-financing

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

Secretariat Comment at CEO Endorsement Request There is significantly more co-financing that what was identified at PIF stage. The project includes co-financing from the private sector and academia, and significant investment mobilized.

Agency Response
GEF Resource Availability

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

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Project Preparation Grant

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

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
Core indicators

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

Secretariat Comment at CEO Endorsement Request Yes, the core indicators are aligned with the PIF.

Agency Response

Part II ? Project Justification

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

Secretariat Comment at CEO Endorsement Request

Yes this is elaborated.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Yes, the baseline is elaborated.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

Yes, the alternative scenario is elaborated.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Yes, this project is aligned with the CW FA strategy.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

Yes, sustainability, innovation and scale up are elaborated.

Agency Response

Project Map and Coordinates

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

Secretariat Comment at CEO Endorsement Request

Yes, geo references are projects in Annex D.

Agency Response

Child Project

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

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

Stakeholders

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

Secretariat Comment at CEO Endorsement Request

Yes, a detailed report on stakeholders has been provided.

Agency Response

Gender Equality and Women's Empowerment

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

Secretariat Comment at CEO Endorsement Request

Yes, a gender analysis has been provided in Annex 10 of the ProDoc.

Agency Response

Private Sector Engagement

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

Secretariat Comment at CEO Endorsement Request

Yes, private sector is engaged, including in co-financing.

Agency Response

Risks to Achieving Project Objectives

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

Secretariat Comment at CEO Endorsement Request

The risk section is missing a description of climate risks and also risks related to the COVID-19 pandemic.

Agency Response

[CAH 04/7/22: Regarding the risks mentioned in the Secretariat's comments at CEO Endorsement request, please considered:](#)

a) Risks related to Climate: During PPG phase, risks under Standard 2 "Climate Change Mitigation and Adaptation" were analyzed. As a result of this analysis, the following environmental and social risks were identified and included in the matrix as well as their proper management measure:

Risk 7: Accidental releases of hazardous waste and substances in project sites due to earthquakes, subsidence, landslides, erosion, flooding or extreme climate conditions.

Risk 11: Potential GHG emissions from treatment of PCB or HBCD containing waste.

To clarify, the reference to climate change was included in their description. (PRODOC Table 7; CEO Endorsement Table 9 and Annex 6 "UNDP Risk Register")

b) Risks related to COVID 19: During PPG phase, COVID-19 was considered and included in the matrix as an environmental and social risk under Risk 8 "Exposure to COVID-19 and water borne diseases (such as Dengue) to the project team, partners, and community due to project activities or improper waste management."

After GEFSEC review comment, a discussion was conducted with the PPG team and it was agreed on the need to introduce the following Operational Risk:

Risk 18: COVID-19 pandemic context may result in difficulties of activities execution due to several causes (involved people's health harmed, limited domestic travel, etc.). Additionally, co-financing partner commitments may be delayed.

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MANAGEMENT RESPONSE:

During FSP implementation virtual and remote methods for working implementation will be developed if needed, and necessary assistance for implementing the solutions for social distancing, careful sanitization, widespread testing, access to safety equipment, and immediate competent medical care will be provided by PMU.

Furthermore, PMU will regularly monitor the risks and conduct periodic assessment of market context changes (the national and international), to ensure the project remains a relevant and trusted partner for the private sector stakeholders.

Consequently, the following documents were properly updated: PRODOC- Table 7; CEO Endorsement-Table 9 and Annex 6 ?UNDP Risk Register?

Coordination

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

Secretariat Comment at CEO Endorsement Request

Yes, the institutional arrangement has been projects.

Coordination with other GEF projects is included.

Agency Response

Consistency with National Priorities

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

Secretariat Comment at CEO Endorsement Request

Yes, this project is aligned with the Stockholm and Minamata Convention enabling activities.

Agency Response

Knowledge Management

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

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response
Environmental and Social Safeguard (ESS)

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

Secretariat Comment at CEO Endorsement Request
Yes.

Agency Response
Monitoring and Evaluation

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

Secretariat Comment at CEO Endorsement Request
Yes.

Agency Response
Benefits

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

Secretariat Comment at CEO Endorsement Request
Yes.

Agency Response
Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request
Yes.

Agency Response
Project Results Framework

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response
GEF Secretariat Comments: PPO

ES, 4/13/22: PPO has the following comments:

1. On PPG Utilization: the table, in Annex C, lacks detailed information on the activities that were funded through the PPG. Please request the agency to provide details on how the \$100,000 budgeted were spent and committed.

Agency's response: Please see below the detailed information requested.

Activities performed during the PPG were:

Component A: Preparatory Technical Studies & Reviews

- a. Desktop and field-based studies and data collection
- b. Gender Analysis
- c. Social and Environmental Standards: Screening and Assessments
- d. Identification of project sites
- e. Financial planning, co-financing and investment mobilized
- f. Stakeholder analysis
- g. Appraise and formulate the most appropriate project implementation and execution modality
- h. Other required studies

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

- a. Stakeholder Engagement Plan:
- b. Gender Action Plan and Budget
- c. Social and Environmental Standards: Screening and Management Measures
- d. GEF and LDCF/SCCF Core Indicators
- e. Completion of the required official endorsement letters

- f. Mandatory Annexes
- g. Project Management Arrangements

Component C: Validation Workshop and Report

2. On Stakeholder comments: I have not seen replies, from the agency to the comments provided by council members from UK, Germany and Canada. Please request the agency to include their replies in the Annex B section in the Portal.

Agency's response: Thank you for your comment. Replies to comments provided by council members from UK, Germany and Canada were included in Annex B. You can find the replies below.

Comment by Copied from the GEF 59th council meeting Summary of the Chair, Council, made on 12/9/2020

Comment:

In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, as well as the independent, risk based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the management responses and note them in the endorsement review sheet that will be made available to Council during the 4-week review period.

Comment by Hannah Boyne, Senior Policy Advisor and Programme Manager, Department for Environment, Food and Rural Affairs, Council, United Kingdom made on 1/7/2021

Comment:

For the United Kingdom comments below, an initial agency response has been provided and can be found in the list of documents specific to the project in the GEF Portal.

? 10721, 10682, and 10419 look very similar, but with 2 different implementing partners - what's the plan to coordinate?

Agency's response: Further detail can be found in the PRODOC ?Results and Partnerships? Sub Section ?South and South Cooperation?.

Lessons learned and best practices will be shared during project implementation.

Comment by Kordula Mehlhart, GEF Council Member, Head of Division on Climate Finance, BMZ, Council, Germany made on 1/7/2021

Comment:

Germany welcomes this proposal, which supports the implementation of the Stockholm and Minamata conventions in Panama

Suggestions for improvements to be made during the drafting of the final project proposal:

? Component 1, Output A2: Please specify how a clear mechanism of enforcement at national scale will be established, given the limited resources for this component (and probably implications for various stakeholder groups). What form of stakeholder engagement is planned in order to reach this output?

Agency's response: Output A2 involves the ?Institutional coordination for sound management of POPs and mercury strengthened (include national training programme)?. Under this Output the project aims to promote and enhance institutional coordination between different competent authorities for chemicals LCM. The foreseen activities include: i) The Creation of an Inter-Agency Commission on Chemicals and Waste including the institutionalization of technical working groups; ii) institutions training plan to enhance national and regional capacities for comprehensive management of POPs and mercury in public entities.

For this purpose, competent authorities were involved and consulted during PPG phase and in addition a Stakeholder Engagement Plan was developed.

Further detail can be found in the PRODOC, Section IV ?Results and Partnerships? and Annex 8 ?Stakeholder Engagement Plan?

? Concerning the mentioned risks:

Risk 6: Please specify, what implications the mentioned development of ?innovative virtual and remote methods for working and implementation? would have for the project?s success. Could everything go rather unchanged? Or would outputs potentially need to be adjusted, timelines shifted, and budgets raised to meet the expected

Agency's response:

During PPG phase further analysis of risks were developed, resulting in the following table. Details on Risk Management Response can be found in related Annex.

Risk Class	Risk and Description	Risk Management Response
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Social and Environmental	<p>Risk 1: Current discrimination, violence and/or harassment against women in the electricity, construction, health care, and/or waste management sectors may be continued and hinder equal access to opportunities for women's participation as well as attention to gender specific needs for occupational health of women per sector.</p>	<p>A gender analysis and gender action plan were developed during the PPG phase, and it should be enforced during project implementation in order to ensure that gender considerations are integrated into all project activities.</p> <p>An occupational health surveillance programme will be implemented as part of the plan to assess and record the levels of affectation and risks involved for men and women in the handling of POPs, chemical substances, and wastes.</p> <p>This risk will be further assessed in the Strategic Environmental and Social Assessments (SESAs) and Environmental and Social Impact Assessments (ESIAs) that will be undertaken during project implementation, as described in the ESMF.</p>
	<p>Risk 2: Improper handling during phase out interim storage, transport, and disposal of mercury containing equipment (from the health sector), PCB containing equipment (from the electricity sector), and HBCD containing stockpiles and waste (from the construction sector) may lead to accidental release causing adverse impacts on the environment, community health, and safety.</p>	<p>In line with the ESMF, a Strategic Environmental and Social Assessment (SESA) will be developed during project implementation as a management measure to address this risk for Output C1 (Activity 3) and Output D1 (Activity 4).</p> <p>In addition, Environmental and Social Impact Assessment (ESIA) will be conducted for the specific project sites associated to Outputs B1, C2, D2, E1, and E2.</p>
	<p>Risk 3: Incorrect handling, transport or disposal of POPs, mercury and hazardous waste may lead to accidental release in areas with presence of indigenous people.</p>	<p>This risk will be further assessed in the Strategic Environmental and Social Assessments (SESAs) and Environmental and Social Impact Assessments (ESIAs) that will be undertaken during project implementation, as described in the ESMF.</p>

<p>Risk 4: Occupational health and safety impacts due to exposure to chemical hazards of workers and vulnerable groups involved within the scope of the project (health, construction, power, waste).</p>	<p>The project will assess these risks as part of the ESIA that will be undertaken for pilots (Output B1, Output E1 and E2) and disposal activities (Output C2, Output D2) and ensure that as part of the ESMP, an Occupational Health and Safety Plan; Labour Assessment and Management Plan; and/or any other plan required for SES compliance are in place prior to commencement of the works, as described in the ESMF.</p> <p>Protocols and standard operating procedures on the sound management of hazardous chemicals and wastes will be enforced by the implementing agency to minimize the risk of exposure and increase safety.</p> <p>Management measures include:</p> <ul style="list-style-type: none"> ? A national training programme to increase capacities for the comprehensive management of POPs and mercury ? implementation of BAT/BEP for sound handling, transporting, and final disposition of hazardous wastes. ? Monitoring, evaluation, and dissemination of project results. <p>Awareness-raising and training for continuous improvement opportunities both in training needs as well as in maintaining BAT/BEP.</p>
<p>Risk 5: Potential transboundary and global environmental risks due to accidental release of PCBs or mercury containing waste during handling, storage, and shipment to other countries for final treatment and disposal.</p>	<p>The Environmental and Social Impact Assessment (ESIA) associated to PCB and Mercury sound management activities (Output C.2 and E.2) will include the evaluation of technologies to be used for their treatment/elimination, in terms of potential chemical release. Options will be compared, and measures proposed to minimize this risk such that the alternative technologies must ensure compliance with Best Available Techniques/Best Environmental Practices (BAT/BEP) as per the Stockholm, Minamata, and Basel Conventions.</p>

<p>Risk 6: Potential risk of physical and economic displacement of waste pickers present in dump sites (?pepenadores?) due to the implementation of BAT/BEP in municipal dumps and waste sector.</p>	<p>A scoped Environmental and Social Impact Assessment (ESIA) will be developed during the project implementation for each of the selected sites to analyze the potential risks and impacts associated to physical and economic displacement; and if it is confirmed that there will be displacement, a Livelihood Action Plan must be developed in accordance to UNDP SES LAP template and Standard 5. Necessary measures to address this risk will be part of the ESMP.</p> <p>The comprehensive Stakeholders Engagement plan that has been prepared during PPG phase, which includes waste pickers as sensitive actors, must be followed.</p> <p>The development of a solid waste management plan in participating municipalities will take the local informal waste pickers into consideration in order to regularize and improve their working conditions within the scope of the project activities.</p>
<p>Risk 7: Accidental releases of hazardous waste and substances in project sites due to earthquakes, subsidence, landslides, erosion, flooding or extreme climate conditions. (Climate change risk)</p>	<p>As part of the scoped Environmental and Social Impact Assessment (ESIA) that will be conducted for the specific project sites/activities, this risk will be assessed and mitigation measures will be developed and included in the ESMP for each pilot, which will likely include a disaster risk management plan to be applied during implementation.</p>
<p>Risk 8: Exposure to COVID-19 and water borne diseases (such as Dengue) to the project team, partners, and community due to project activities or improper waste management.</p>	<p>As a means to reduce exposure and transmission of COVID 19 or other water borne diseases, the national plans, protocols, and guidelines published by the Ministry of Health for prevention and transmission mitigation (such as of COVID-19[1]¹) must be followed. Sanitary guidelines available and cleaning & disinfection protocols will be considered during the implementation of the project.</p>

<p>Risk 9: Lack of knowledge and awareness on the sound management of hazardous waste among government institutions may lead to levels of engagement in project activities that are not in accordance to their competencies and responsibilities.</p>	<p>Competence and responsibilities are to be formalized through the signing of agreements between MINSA and local authorities to establish legal and institutional capacities. The following mitigation actions will be implemented: Development of a national training programme for sound management of POPs and Mercury (Project Output A.2, Activity 2) and awareness raising through a national communication campaign (Component 4, Output F.2, Activity 1). An Environmental and Social Management Framework (ESMF) and a Stakeholder Engagement Plan has been prepared during the project design phase, both of which should be applied during the implementation phase.</p>
<p>Risk 10: Vulnerable groups like recyclers and waste pickers may be excluded from decision making processes in dump sites where they currently supply their source of income and may also not be aware of existing grievance mechanisms.</p>	<p>The scoped Environmental and Social Impact Assessment (ESIA) for the municipal landfills that are part of the project activities will address this risk. A national communication strategy will be developed (Component 4, Outcome F.2, Activity 1) The Stakeholder Engagement Plan shall be followed during the project implementation and the grievance mechanism within be readily informed to all vulnerable groups associated to the project activities. It must be ensured that both formal and informal waste pickers that operate within the municipal landfills selected for the project have open communication channels where there is relevant information available to them periodically from the initial phases of the project and throughout and that they have the opportunity to voice their concerns and receive a response.</p>
<p>Risk 11: Potential GHG emissions from treatment of PCB or HBCD containing waste. (Climate change risk)</p>	<p>The scoped Environmental and Social Impact Assessment (ESIA) for project activities associated to PCB and HBCD (Output C.2 and D.2) will include the evaluation of technologies that will be used for PCB and HBCD treatment/elimination in terms of their GHG emissions and potential chemical release, options will be compared and measures will be proposed to minimize GHG emissions and chemicals produced such that the alternative technologies must ensure compliance with Best Available Techniques/Best Environmental Practices (BAT/BEP) as per the Stockholm and Basel Conventions.</p>

	Risk 12: Child Labour in power, health, construction and waste sectors covered by the project in contravention of principles and standards of ILO fundamental conventions.	This risk will be further assessed in the Strategic Environmental and Social Assessments (SESAs) and Environmental and Social Impact Assessments (ESIAs) that will be undertaken during project implementation, as described in the ESMF.
Financial	Risk 13: Private stakeholders, mainly from construction and power sector, are reluctant to play an active role during project execution.	During the PPG stage, the main concerns and interests of the stakeholders interested in the project, mainly power companies and Panamanian chamber of construction were compiled, allowing the formulation of activities aiming at the elimination of the identified set of barriers and emphasizing on the benefits of being part of the project. In addition, an effective communication strategy will be developed and implemented during project's execution to raise awareness among the stakeholders and the community in general aware of the project's scope, activities and benefits.
	Risk 14: Impacts due to fluctuations in credit rate, market and currency that may affect project total budget.	UNDP monitors expenditure on a daily basis. Further UNDP HQ provides global oversight of project delivery minimizing the risk of operational risk due to currency risks.
Operational	Risk 15: Difficulties in obtaining the information required to develop the inventory of HBCD in buildings and construction sector. As well as the information of PCBs in sensitive sites and private sector.	The project has ensured during its PPG stage, through the stakeholder engagement plan, an adequate awareness creation on the importance of these Inventories. A communication strategy will be developed during the implementation of the FSP, emphasizing on the benefits of the project to participating partners and will include briefings. Furthermore, the signing of agreements with related stakeholders that will participate in the demonstration projects is foreseen, which will incorporate measures to protect confidential information.
	Risk 16: Limited capacity of national stakeholders to introduce BAT/BEP for hazardous waste treatment and disposal.	During the implementation of the FSP, awareness-raising, training and technical training programs will be developed and implemented, as well as capacity building in national authorities, public officials and other interested parties who are working on issues related to the management of chemical products and waste, to ensure the knowledge and experience needed to carry out their tasks properly.

	<p>Risk 17: Deficiencies in communication and relationship with stakeholders.</p>	<p>During PPG phase main concerns and interests of the stakeholders interested in the project were compiled, allowing the formulation of actions that allow eliminating these barriers and emphasizing on the benefits of being part of the project. Within the Stakeholder Engagement Plan these activities are planned to continue during the project implementation. Furthermore, an effective communication strategy will be developed to raise awareness among the stakeholders and the community in general aware of the project's activities.</p>
	<p>Risk 18: COVID-19 pandemic context may result in difficulties of activities execution due to several causes (involved people's health harmed, limited domestic travel, etc.). Additionally, co-financing partner commitments may be delayed.</p>	<p>During FSP implementation virtual and remote methods for working implementation will be developed if needed, and necessary assistance for implementing the solutions for social distancing, careful sanitization, widespread testing, access to safety equipment, and immediate competent medical care will be provided by PMU. Furthermore, PMU will regularly monitor the risks and conduct periodic assessment of market context changes (the national and international), to ensure the project remains a relevant and trusted partner for the private sector stakeholders.</p>
<p>Organizational</p>	<p>Risk 19: Limited capacity of the Ministry of Health and other key stakeholders due to insufficient trained staff on the implementation of proposed alternatives, may cause an inadequate tracking and monitoring of the agreed activities and Objective and Outcome indicators.</p>	<p>A training plan aimed at institutions with competence on POPs and mercury management will be developed and implemented under Component 1. This training plan seeks to strengthen the management and enforcement capacities at national, regional, and municipal level to meet requirements under national regulations and international chemicals and waste Conventions.</p> <p>Component 4, Outcome F. comprises a series of actions aimed at periodic monitoring and follow-up on the development of the project, including a comprehensive evaluation under the MTR, where possible deviations from the programmed actions can be identified at an early stage.</p> <p>Besides, UNDP CO staff and the UNDP Panama RTA will do their utmost to inform and convince policymakers on the relevance of this FSP to put it on track.</p>
	<p>Risk 20: Limited technical and human capacity in the Ministry of Health to implement a comprehensive Monitoring and Evaluation Plan result in inefficient monitoring.</p>	<p>UNDP CO staff and UNDP Panama RTA will assist closely the FSP PMU and the MINSA in order to provide training and guidance on the different activities required for the effective fulfillment of the comprehensive Monitoring and Evaluation Plan.</p>

	<p>Risk 21: Limited technical and human resources capacity for contracts administration and acquisitions that could delay the timely and effective implementation of project activities.</p>	<p>Develop and implement a training plan for the staff in order to cover professional technical gaps ensuring a proper support to the procurement processes and build capacity in the Administrative and financial management unit (USGAF). In addition, promote the development of guidelines and procedures to avoid conflicts of interest.</p>
Political	<p>Risk 22: Lack of political will and Federal government's commitment of key public authorities (such as AAUD, ACP, ATP, etc.) which do not actively participate in the development and implementation of project activities.</p>	<p>In the situation that this institutional context would happen, technical personnel from Ministry of Health, UNDP CO staff and the UNDP Panama RTA will do their utmost to inform and convince policymakers on the relevance of this FSP, the reasons why it was developed and the positive impact it will have on human health and environment, aligned to Minamata and Stockholm Conventions.</p> <p>Under Component 1, the project will promote the creation of an inter-agency commission to improve Chemical Substances and Waste Management within the territory, which will be led by the Ministry of Health as a body for coordination and collaboration among governmental authorities. Furthermore, the institutionalization of specific technical working groups will be promoted under the abovementioned Commission, to incentive collaboration and coordinated work and involvement of different governmental entities in specific chemicals and waste management topics.</p>
	<p>Risk 23: Lack of interest at national and local level to actively participate in the development and implementation of project activities.</p>	<p>The PMU and the Project Steering Committee will provide continuous feedback and monitor the project results on a regular basis. Furthermore, consultations will be held with decision makers from other government organizations to communicate the relevance of their participation in the project.</p>
	<p>Risk 24: Change of government might result in new management and technical appointees within entities that are project partner, requiring additional efforts to ensure timely project implementation.</p>	<p>In the situation that this would happen, technical personnel from UNDP CO staff and the UNDP Panama RTA will do their utmost to inform and convince new decision makers on the importance of the project, the reasons why it was developed and the positive impact it will have on human health and the environment in Panama.</p>

Strategic	Risk 25: Limited capacity in the Ministry of Health and other key stakeholders that can generate conflicts, misinformation and misunderstandings of the overall objective of the project.	During the implementation of the FSP, technical training programs will be developed and implemented, as well as capacity building in national authorities, public officials and other interested parties who are working on issues related to the management of chemicals and hazardous waste, to ensure the knowledge and experience needed to carry out their tasks properly. Furthermore, an effective communication strategy will be developed during the implementation of the FSP to raise awareness among the stakeholders and the community in general aware of the project's scope and activities.
	Risk 26: Private companies fear that participation in the project might affect their image or brand.	The project will technically assist private companies related mainly to PCB and HBCD identification and proper disposal in order to guarantee proper engagement of these key stakeholders and ensure the understanding of project benefits. Furthermore, an effective communication strategy will be developed during the implementation of the FSP to raise awareness among the stakeholders and the community in general aware of the project's activities.

Further detail can be found in the PRODOC, Section IV 'Results and Partnerships' Sub Section 'Risks' and Annex 6 'UNDP Risk Register'

Comment by Tom Bui, Director, Environment, Global Issues and Development Branch (MFM), Global Affairs Canada, Council, Canada made on 1/11/2021

Comment:

Canada agrees with the findings and recommendations of the STAP review. We note that projects 10721, 10682, and 10419 have many of the same objectives and are close in proximity and therefore suggest that there should be some degree of collaboration between these projects to share experiences and best practices. Additionally, there may be some knowledge or lessons learned gained under previous GEF projects in Argentina (10094) and Colombia (6928) that could be applicable to these projects.

Agency's response: Noted.

During Project development close collaboration between mainly 10419, 10682 and 10721 was conducted. Additionally, previous GEF projects in Argentina and Colombia were considered and interviewed during PPG phase. Furthermore, on a yearly basis face-to-face South-South exchanges among all UNDP GEF Chemicals and Waste

projects and programmes in the Latin American and the Caribbean region are considered during project implementation. These allow government counterparts, project coordinators and experts to exchange experiences and lead to long-term collaboration, exchanges and partnerships between projects and countries. Projects that participate in these exchanges include UNDP/GEF projects like those implemented in Colombia, Ecuador, Honduras, Argentina and Mexico (among others), which also focus on various POPs and Mercury issues.

3. On co-financing: all the co-financing letters have been provided in Spanish. As per guidelines please request the agency to provide the letters in English or to provide translations. All the letters can be reviewed when received in English.

Agency's response: Translations of Co-financing letters were uploaded to GEF Portal. Co-financing letters in English were already included in Annex 12 of the Project Document.

4. On the Budget: project assistance and project manager have been charged across the components and PMC. Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC.

Agency's response: The Project manager and project assistance both comply technical tasks during the implementation of the project, Annex 7 of the ProDoc (Overview of Project Staff and Technical Consultancies) was adjusted to indicate the associated activities conducted under the components of the project.

5. On Core Indicators: The target for core indicator 6 is not aligned with the target reported in the results framework in the annex A. Agency is reporting 27,063.76 greenhouse emissions mitigated in the results framework but in core indicator table indicated 6,765.94. please revise accordingly.

Agency's response: Core indicator table adjusted. The amount stated corresponded to the annual reduction emission (6,765.94 ton CO₂ eq/year); it was adjusted so annex A and core indicator table match (total amount corresponds to reduction for 4 years, as it was considered that the first year of implementation won't generate reductions).

ES, 4/28/22: PPO has the following comments:

Project to be returned to the Agency because most of the comments were addressed by the Agency, excepting one: 4. Project assistant and manager are still charged to components and PMC.

Here is Agency's response: Agency's response: The Project manager and project assistance both comply technical tasks during the implementation of the project, Annex 7 of the ProDoc (Overview of Project Staff and Technical Consultancies) was adjusted to indicate the associated activities conducted under the components of the project.

Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC. Requesting the costs associated with the execution of the project to be covered by the PMC is reasonable ? by so doing, asking the proponents to utilize both portions allocated to PMC (GEF portion and co-financing portion) is also reasonable. That said, when the situation merits (i.e. not enough co-financing funds ? which for this projects is not the case), the project's staff could be charged to the project's components with ?clear Terms of Reference describing unique outputs linked to the respective component? (paragraph 4 ? page 42 of the Guidelines). For this project, the co-financing portion allocated to PMC is 1.2 million, of which 8.3 million is represented in grants. Please ask the Agency to amend.

UNDP's response: CAH, 04/28/22:

As PPO mentioned, the part of co-financing in grants amounts to US\$ 8.3M, but those funds will be mobilized to purchase equipment, built laboratories and manage POPs, as part of the activities of the project. All the mobilized cash co-finance is already fully committed.

The Co-finance that the project has for PMC is in-kind and cannot be used to subsidize the cost of the salaries of the Project Coordinator and the administrator. The size of the PMU budget is small given the small size of the project. Therefore, UNDP has included some technical tasks for the project coordinator and project assistance in order to keep them both for the full duration of the project implementation. The TORs include technical tasks for both of them in addition to the overall coordination tasks that they will have.

[1] PLANES, PROTOCOLOS Y GUIAS - COVIN19 | Ministerio de Salud de la Rep?blica de Panam? (minsa.gob.pa)

Council comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

STAP comments

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

Agency Response

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request Approximately half of the PPG has been utilized.

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request Maps are included.

Agency Response

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

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response

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

Secretariat Comment at CEO Endorsement Request NA

Agency Response

GEFSEC DECISION

RECOMMENDATION

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

Secretariat Comment at CEO Endorsement Request

Not at this time, some issues remain.

ES, 4/3/22: risks and risk mitigation measures associated with COVID-19 and climate change still needs to be addressed.

ES, 4/8/22: All issues have been addressed. CEO endorsement is recommended.

ES, 4/13/22: PPO has the following comments:

1. On PPG Utilization: the table, in Annex C, lacks detailed information on the activities that were funded through the PPG. Please request the agency to provide details on how the \$100,000 budgeted was spent and committed.
2. On Stakeholder comments: I have not seen replies, from the agency, to the comments provided by council members from UK, Germany and Canada. Please request the agency to include their replies in the Annex B section in the Portal.

3. On co-financing: all the co-financing letters have been provided in Spanish. As per guidelines please request the agency to provide the letters in English or to provide translations. All the letters can be reviewed when received in English.

4. On the Budget: project assistance and project manager have been charged across the components and PMC. Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC.

5. On Core Indicators: The target for core indicator 6 is not aligned with the target reported in the results framework in the annex A. Agency is reporting 27,063.76 greenhouse emissions mitigated in the results framework but in core indicator table indicated 6,765.94. please revise accordingly.

ES, 4/28/22: PPO has the following comments:

Project to be returned to the Agency because most of the comments were addressed by the Agency, excepting one:

4. Project assistant and manager are still charged to components and PMC. Here is Agency's response:

Agency's response: The Project manager and project assistance both comply technical tasks during the implementation of the project, Annex 7 of the ProDoc (Overview of Project Staff and Technical Consultancies) was adjusted to indicate the associated activities conducted under the components of the project.

Per Guidelines, the costs associated with the project's execution have to be covered by the GEF portion and the co-financing portion allocated to PMC. Requesting the costs associated with the execution of the project to be covered by the PMC is reasonable ? by so doing, asking the proponents to utilize both portions allocated to PMC (GEF portion and co-financing portion) is also reasonable. That said, when the situation merits (i.e. not enough co-financing funds ? which for this projects is not the case), the project's staff could be charged to the project's components with ?clear Terms of Reference describing unique outputs linked to the respective component? (paragraph 4 ? page 42 of the Guidelines). For this project, the co-financing portion allocated to PMC is 1.2 million, of which 8.3 million is represented in grants. Please ask the Agency to amend.

ES, 5/5/22: PPO has the following comment.

The explanation provided by the Agency in the Review Sheet (?The Co-finance that the project has for PMC is in-kind and cannot be used to subsidize the cost of the salaries of the Project Coordinator and the

administrator.?) is not acceptable ? some Agencies (this included) have responded to the Guidelines request of utilizing the GEF and the co-financing portion allocated to PMC to cover the costs of the project?s staff with the same argument. This would be valid if indeed the whole co-financing would be ?in-kind?, but as it is shown in Table C, 8.3 million is represented in grants. We want to see some effort from the Agency to get additional funds for covering the Project?s Manager covered from the co-financing (now the whole costs is distributed throughout the components).

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	2/16/2022	
Additional Review (as necessary)	4/3/2022	
Additional Review (as necessary)	4/8/2022	
Additional Review (as necessary)	4/13/2022	
Additional Review (as necessary)	5/5/2022	

CEO Recommendation

Brief reasoning for CEO Recommendations

This project aims to prevent, reduce, and eliminate the presence and emission of POPs and Mercury in Panama to protect public health and the environment in compliance with the Stockholm and Minamata Conventions. It will strengthening legal and institutional capacities for sound management of POPs and Mercury. The project will take an integrated approach and will address UPOPs by decrease incidence of waste burning of dump sites/landfills and proper handling of hospital waste, combined with plastics waste minimization in touristic areas. The project will also eliminate PCB equipment and waste from sensitive sites and reduce the use of Expanded Polyesterene building material for reduction of HBCD. This project will result in several global environmental

benefits, including reduction of 202 MT of POPs and mercury, 530 MT of POPs and mercury containing materials, 6 gTEQ of UPOPs, and climate benefits of 6,765 MT CO₂ equivalent.