

# Demonstration of Non-thermal Treatment of DDT Wastes in Central Asia

**Review CEO Endorsement and Make a recommendation**

## Basic project information

**GEF ID**

9421

**Countries**

Regional (Kyrgyz Republic, Tajikistan)

**Project Name**

Demonstration of Non-thermal Treatment of DDT Wastes in Central Asia

**Agencies**

UNEP

**Date received by PM**

5/29/2019

**Review completed by PM**

2/5/2020

**Program Manager**

Evelyn Swain

**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**

The executing arrangements have been significantly changed. While the impetus to do so is justifiable, the end result is self execution. This has not been justified and before further consideration this needs to be addressed. In this regard please provide clear justification, with supporting evidence from the relevant OFPs.

ES, 11,13,19: There is a revised letter from the OFP regarding the execution arrangements and significant justification, therefor the execution arrangements can be approved on an exceptional bases.

## **Response to Secretariat comments**

### **Response:07October2019**

The original Executing Agency for the project was Green Cross Switzerland. Due to internal problems, the partner ceased to trade and their involvement in the C&W sector ended unexpectedly in early 2019 (during the PPG stage). When this happened, the Implementing Agency and countries conducted a detailed review of execution options which included other possible regional partners including Pure Earth / Blacksmith Institute, FSD and the Basel / Stockholm Convention Regional Centre in the Czech Republic (Recetox). Following a due diligence exercise it was concluded that, given the technical complexity of the proposal and large international procurement actions to be completed under the project, the most effective and efficient option was to split the execution responsibilities based on a mix of Regional and National needs. It was decided that a primary, regional Executing Agency will be required to coordinate between the two countries and to carry out a single major procurement action for supply of technology from one supplier for POPs destruction in both countries to include linked services and goods. This will be essential to ensure a consistent approach to the technical aspects of the project and the adoption of common standards with the associated economies of scale and alignment of results. The conclusion of this exercise was the selection of the UNEP sub-regional office based in Almaty, Kazakhstan. The analysis of possible executing agencies contains sensitive information, but UNEP is happy to share this with GEF Secretariat informally and off-line, if needed.

The Regional EA will therefore oversee the procurement activities, and the provision of specialist project management and technical support via international consultants that will work in both countries (again ensuring a common set of operational standards) and provide project oversight and M&E on a regular basis. The Regional EA will also consolidate the quarterly expenditure reports required to meet the UNEP Implementing Agency project management and M&E requirements in line with the common formats and standards across all UNEP implemented GEF projects. The regional office will also act as a focal point for the preparation of the single Project Implementation Review annually and other periodic financial and progress reports via consolidating the reports on locally managed activities delivered at the national level. Finally, the regional Executing Agency will be responsible for coordination with the UNEP procurement service in New York who will manage the procurement of the non-thermal destruction technology on behalf of the project. The estimated project resources to be managed by the regional Executing Agency are to be confirmed at project inception but are estimated to approximately 12 - 14m USD including up to \$11m USD for procurement of international contracts.

The nationally executed activities will be managed by the NGO Fondation Suisse de Deminage (FSD in Tajikistan) and by the State Agency for Environment (in Kyrgyz Republic), as set out in the CEO submission and its Annex K (Implementation Arrangements). The services to be provided by the national delivery partners include all national consultants and meetings (e.g. legal reviews, inspection and Stockholm Convention trainings, national awareness campaigns and site management and oversight by FSD at the two project sites). The estimated resources for these activities make up the approximately \$1.5 - 3m USD balance of project resources. This figure may be revised if national contractors can be identified to provide essential and substantive ground preparation works in each country.

These revised arrangements were discussed with the GEF SEC focal area and PPO teams in the fringes of the June 2019 GEF Council meeting and via e-mail subsequently. Based on the recommendations and advice provided supporting letters for the proposed execution arrangements have been provided by both countries, in line with the GEF Guidelines on the Project and Program Cycle Policy (2017), Section IV 'Exceptions for a GEF Agency Providing Execution Services', paragraph 7.

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

**Secretariat Comment at CEO Endorsement** Yes

**Response to Secretariat comments**

**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

**Response to Secretariat comments**

**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** Yes

**Response to Secretariat comments**

**6. Are relevant tracking tools completed?**

**Secretariat Comment at CEO Endorsement** The relevant core indicators and association calculations have been provided.

**Response to Secretariat comments**

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

**Secretariat Comment at CEO Endorsement** N/A

**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** Yes

**Response to Secretariat comments**

**GEF Council**

**Secretariat Comment at CEO Endorsement** Yes - The council member from Germany reiterated the STAP's comments so the response to STAP also captures the comments from the 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

Please respond to the concerns on the executing arrangements.

ES, 11/13/19: The execution arrangements are approved on an exceptional bases.

ES, 11/8/20: Please respond to the following comments from PPO:

Project to be returned to the Agency due to:

1- This project lacks the ProDoc, which is one of the requirements at CEO Endorsement. Please ask the Agency to prepare and upload the ProDoc with all the correspondent sections and annexes as with any other UNEP ProDoc.

2- Please confirm that the US Council Member's comments have been addressed in the project.

3- On Executing Partners – while PM already approved the execution arrangements (see attached message), GPU Manager has to clear this approval in Portal.

The endorsement letters from Kyrgyz Republic and Tajikistan mention two levels of execution, regional and national. For the regional dimension, it is clear that UNEP will be the EA. For national, the identified EAs are the State Agency for Environment for Kyrgyz Republic and Fondation Suisse de Deminage (FSD) for Tajikistan. Both were not mentioned as Executing Partners. Green Cross Switzerland should be dropped as their participation did not materialize. There is also no mention of FAO under institutional arrangements and coordination and should also be dropped. No idea what BRS sec is referring to.

4- On Co-financing:

Can't find co-financing letter for the grant component of UNEP amounting to \$1,583,333. Likewise, the designation of UNEP should be GEF Agency and not Donor Agency.

On Co-financing from General Atomics: There seems to be a disconnect between the letter which is confirming only the \$275,000 in-kind

contributions vs the breakdown of co-financing in the letter's attachment which also mentions \$14 m grant. The co-financing letter was not signed – any co-financing document needs to be duly signed. Please ask the Agency to amend.

5- Audit should be charged to PMC.

6- It is not possible to understand the details of charging to PMC some project's staff while others are charged to the project's components – for example, while project manager and finance officer should be paid by PMC following what is presented in the Guidelines on the Project and Program Cycle Policy, it is not possible to understand the rationale behind partially charging the Risk Management and the Regional technical execution support (component 1) to PMC while Regional technical execution support (component 2) is fully charged to the Components. Further clarification is required on the budget lines “Project oversight by Executing Agency” and “Operational and direct costs”, fully charged to the GEF portion of the PMC. It is expected that the above required explanations will be presented in the ProDoc.

2/11/2020: Please address the following comment from PPO:

- While the questions on budget were clarified, the Agency modified one item by charging \$20,000 of the Regional Coordinator to the M&E Plan (before it was fully charged to PMC as it should be ) – please amend this.

2/12/2020: The budget issue has been addressed. CEO Endorsement is recommended.

## **Response to Secretariat comments**

### **Agency Response 12 Feb 2020:**

- The comment received on the charging of Regional Coordinator to M&E Plan is duly noted and has been removed. The work on gender in the context of Component 2 will require significant support so an additional amount of \$20,000 has been added to the Gender Expert, thus the total budget for M&E is unchanged from the original budget. These changes are also reflected in the Budgeted M&E Plan in section C. The PRODOC document and Budget Annex F have been replaced with the updated version in the Portal.

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The concerns on the executing arrangements have been addressed.

Agency response 21 Jan 2020:

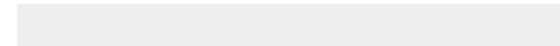
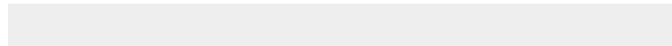
1. ProDoc created and uploaded in the Documents section of the Portal. The main PRODOC file includes key annexes which are included in the Portal (A-F), Annex G with finalized cofinance letters, and Annex L on acronyms for convenience. A separate, single PDF is also uploaded containing all the additional technical annexes (H-K and M).
2. US Council Members comments received on the PIF have been addressed in the project. The comments and their response were indeed missing from Annex C (Responses to Reviews) but have been added in the Portal and updated PRODOC.
3. Other Executing Partners listed in the Portal are a remnant from the PIF upload and approval. The relevant fields have been updated in the Portal and PRODOC.
4. Two co-finance letters (UNEP Regional Office and General Atomics) corrected and uploaded in the PRODOC and key annexes PDF. Designation of UNEP as GEF Agency corrected in the Portal.
5. Budget updated as advised with audit charged to PMC.
6. The technical consultant for Component 1 is a subject matter expert on disposal technology, ISCWO, landfill and risk management. The budget line description has been edited to clearly reflect this ('Regional Technical Expert' instead of the previously worded 'Execution Support').  
The following text has been inserted in the Institutional Arrangements section, clarifying the role of the Component 2 technical consultant providing both technical and reporting support to countries and the EA:  
*"A regional consultant will provide technical expertise and guidance on the component 2 activities around awareness raising, regulatory strengthening and compliance, and cross cutting knowledge management, working closely with the gender expert and national executing partners and consultants. This consultant profile will also provide project management support (charged to the PMC budget) to assist and build capacity at the EA to review and consolidate technical reporting by Components 1 and 2. This support will be needed to ensure a consistent and high standard of technical reports; and to explicitly integrate work plans and supervision of delivery of the two technical components by the EA's Regional Coordinator."*  
The budget line for 'Project oversight by EA' is included under the Travel category (20k per country for the project lifetime) to cover missions to field sites. The field sites are remote, and include the two main sites but also the additional 10 sites across the two countries where risk mitigation activities will be rolled out. This is clarified in the budget line description.  
Operational costs and direct costs include costs such as banking, communications, and miscellaneous office costs for the Executing Agency's offices (Almaty and financial oversight from Geneva). This is also clarified in the budget line description.

**Review Dates**

**Secretariat Comment at CEO Endorsement**

**Response to Secretariat comments**

**First Review**



**Secretariat Comment at CEO Endorsement**

**Response to Secretariat comments**

<b>Additional Review (as necessary)</b>		

**CEO Recommendation**

**Brief Reasoning for CEO Recommendations**

The UNEP/ GEF project (GEF ID 9421), “Demonstration of Non-thermal Treatment of DDT Wastes in Central Asia” will support national and regional capacity for the Environmentally Sound Management of hazardous waste including DDT and other POPs in Kyrgyz Republic and Tajikistan in line with the requirements of the Basel and Stockholm Conventions. The project will primarily deal with the POPs waste at two large sites containing DDT with risk management at 10 others. In terms of Global Environmental Benefits, the project will dispose of 5,000 MT of DDT and associated POPs waste.