



GEF-6 GEF SECRETARIAT REVIEW FOR FULL-SIZED/MEDIUM-SIZED PROJECTS THE GEF/LDCF/SCCF TRUST FUND

GEF ID:	9412		
Country/Region:	Brazil		
Project Title:	Environmentally Sound Management (ESM) Of LINDANE In BRAZIL		
GEF Agency:	UNEP	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Chemicals and Waste
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CW-2 Program 3;		
Anticipated Financing PPG:	\$300,000	Project Grant:	\$11,000,000
Co-financing:	\$61,500,000	Total Project Cost:	\$72,500,000
PIF Approval:		Council Approval/Expected:	
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Evelyn Swain	Agency Contact Person:	Kevin Helps

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	This project aims to support CW 2 Program 3 for POPs funding.	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	<p>This is a NIP implementation project under the Stockholm Convention.</p> <p>The proposal notes that Brazil will complete the NIP update process in parallel with the PPG for this project. Does Brazil intend to apply for GEF funding for a NIP update? No funding proposal has been received</p>	

¹ For BD projects: has the project explicitly articulated which Aichi Target(s) the project will help achieve and are SMART indicators identified, that will be used to track the project's contribution toward achieving the Aichi Target(s)?

PIF Review

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		<p>and based on the GEF's understanding new POPs covered by the 2009 and 2011 amendments were included in the original NIP, which was one of the reasons why there was such a delay in completing the NIP. Thus a NIP update would be for the 2013 and 2015 chemicals. In this regard any action on the 2013 and 2015 added POPs will only be eligible for funding after the NIP update is submitted to the Convention Secretariat.</p> <p>ES, 9/7/16: A NIP update request has now been submitted. This project will coordinate with the NIP Update.</p>	
<p>Project Design</p>	<p>3. Does the PIF sufficiently indicate the drivers² of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?</p>	<p>At this time it is not clear because many components of the project are not eligible for funding at this time or lack associated baseline information or GEB information, see question 5.</p> <p>ES, 9/7/16: It is not clear how the demonstration projects for disposal of pesticides and the other outputs of component 1 will be sustainable and scaled up.</p> <p>ES, 1/30/17: This project has been refocused on disposal of POPs pesticides, with a focus on Lindane. This will be one of the first GEF</p>	

² Need not apply to LDCF/SCCF projects.

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		<p>projects to demonstrate Lindane disposal. A list of technology options is provided and it will be determined during PPG phase which will be the most appropriate technology choice. Scale and innovation should be considered when reviewing the technology options. The two demonstration sites included in the project will act as a model for the rest of the country. - Comment cleared</p>	
	<p>4. Is the project designed with sound incremental reasoning?</p>	<p>Incremental reasoning has not been demonstrated because there is a lack of baseline information and GEBs associated with a number of the outputs in Component 1, see question 5.</p> <p>ES, 1/30/17: The refocused project is designed with incremental reasoning. There has been some work done on obsolete pesticide management, without this GEF project the Lindane stockpiles would not be addressed. - Comment cleared</p>	
	<p>5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?</p>	<p>Component 1.2 for the Environmentally Sound Management of PCBs can not be supported at this time. The GEF has supported a PCB project implemented by UNDP, which is planned to conclude this year. The project is delayed will seek an extension and conclude in 2018. The first PCB project should conclude</p>	

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		<p>before funding for a follow-up or "phase 2" project is considered. Additional there should be a rationale for switching implementing agency for a follow up project on PCBs. The majority of GEBs (4,000 out of 5,000 tons) came from this component. Therefore removing this component will significantly reduce the benefits from the project.</p> <p>Components 1.3.2 development of ESM of PBDE in e-waste and HBCD in the building sector and Component 1.3.3 development and implementation of demonstrative projects on PBDE and HBCD have no associated baseline project or GEB. Without a baseline and GEBs there is no rationale for funding these components.</p> <p>Component 1.4 on contaminated sites does not have associated GEBs. Remediation of contaminated sites is not eligible for GEF funding. The type of work the GEF would on a case by case basis fund is limited to site assessments and demonstration of technologies that could be deployed for clean-up.</p> <p>Component 1.5 on UPOPs has no associated GEBs or identification of</p>	

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		<p>sectors. The sectors need to be identified at the PIF stage, not during the PPG.</p> <p>Component 2: \$5M is a significant amount of resources for capacity building, and it is not clear what the outcomes of this component will be. For training in component 2.3 it is unclear who will be the target for training and on what. For guidance in component 2.4 it is unclear what the component on guidance will achieve and why. More information needs to be provided to understand this component.</p> <p>Stakeholders: A number of key stakeholders are missing from the proposal, including the waste sector, agricultural sector dealing with POPs pesticides and industrial sector for new POPs. For a project such as this it is expected that the private sector would play a major role.</p> <p>Also, it should be noted that GEF cannot support any chemicals from the POPs allocation that are not listed under the Stockholm Convention and which a country hasn't included in a NIP or NIP update. Brazil has not yet applied for a NIP update.</p>	

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		<p>There does not appear to be baseline investments occurring particularly in the area of manufacturing of PFOS and the overall baseline project is not apparent. The draft proposes to leave much of the baseline development to be developed during the PPG stage or NIP update. The baseline needs to be established at the PIF stage and not during the PPG. There is not a thorough understanding of the sectors and issues established in the baseline. For example under the foams sector, Brazil is currently working to eliminate ODS under the Montreal Protocol any GEF project should build off of the ongoing work on this sector and the plans of the system houses for investments to replace ODS. Another example is the PCB sector where there is no evidence of engagement with the utility sector. A third example is the UPOPs sector, where there is no baseline for what is currently happening. Also for ewaste management, there is no information on if there are currently recycling systems and facilities in place etc. For e-waste there must be an underlying investment in e-waste management that the proponents are seeking to improve in terms of appropriate disposal/handling of residual POPs. GEF POPs resources cannot be used</p>	

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		<p>to support establishment of new systems, strengthening of existing recycling (except where such support directly supports handling/disposal of the POPS residual fraction), establishment of e-waste legislation, etc.</p> <p>In the proposal the executing arrangements are not clear. In a number of cases the proposal says that executing partners will be identified during the PPG. The executing arrangements should be known at the PIF stage and only the details of execution should be worked out at the PPG stage. The GEF cannot approve proposals without a full knowledge of the execution arrangements.</p> <p>Please provide additional information on the implementation arrangements. What is the implementing agency's in country capacity for POPs projects? Does the agency have a track record for implementing large national investment projects? What is the role of CETESB in the co-financing arrangements? What will the \$24M in co-financing from CETESB contribute to?</p> <p>ES, 9/7/16:</p>	

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		<p>The PIF has been significantly redesigned since the last version and the baseline is better developed. There are a number activities bundled into 2 components. This makes it very difficult to understand how much resources will be allocated to each activity.</p> <p>ES, 1/30/17: The budget has been clarified across outputs. - Comment cleared</p> <p>This is a large project requesting significant GEF CW funding for a number of different sectors. In the list of co-financing sources there is some participation from the private sector, however there is no cash co-financing it is 100% in-kind. It's concerning that the project has indicative co-financing of \$126M without any cash investment. What is the justification for the project without any cash investment?</p> <p>ES, 1/30/17: The budget has been reduced to \$11 M. Co-financing now includes cash investment from the private sector. -Comment cleared</p> <p>This is a \$21M technical assistance project. For that level of funding it is</p>	

PIF Review

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		<p>expected that there would be some investment components, not solely TA. What is the justification for such a large technical assistance project?</p> <p>ES, 1/30/17: The budget has been significantly reduced. -Comment cleared</p> <p>In the proposal the executing arrangements are not clear. In the proposal says that executing partners will be identified during the PPG, including FAO. The executing arrangements should be known at the PIF stage and only the details of execution should be worked out at the PPG stage.</p> <p>ES, 1/30/17: The executing arrangements have been clarified. The project will be coordinated by the Ministry of Environment with the Stockholm regional Center as an executing partner. FAO is not included. -Comment cleared</p> <p>It is not clear how the obsolete POPs will be disposed of. What technologies will be used and will disposal take place in Brazil leading to national capacity for POPs disposal or will the POPs be exported for disposal?</p>	

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		<p>ES, 1/30/17: It has been clarified the this project will build national capacity to destroy POPs. A list of technologies has been provided and the most appropriate technology will be identified during PPG.</p> <p>For HBCD Brazil has requested a specific exemption for the construction sector. The GEF funding funding on this issue should results in the country no longer needing an exemption for the chemical. Will an outcome of the work on HBCD be to eliminate the request for an exemption in the future?</p> <p>ES, 1/30/17: The activities on HBCD have been removed due to the budget decrease. -Comment cleared</p>	
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	Gender indicators will be developed during the PPG. Relevant indigenous peoples and CSOs should also be considered.	
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• The STAR allocation?		
	• The focal area allocation?	Yes.	
	• The LDCF under the principle of equitable access		
	• The SCCF (Adaptation or		

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	Technology Transfer)?		
	<ul style="list-style-type: none"> Focal area set-aside? 		
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	<p>Not at this time there are a number of issues and the current project requires significant revision.</p> <p>ES, 9/7/16: Not at this time, there are a number of issues that need to be addressed.</p> <p>ES, 1/30/17: PIF clearance is recommended by the Program Manager.</p>	
Review Date	Review	March 21, 2016	
	Additional Review (as necessary)	September 07, 2016	
	Additional Review (as necessary)	January 30, 2017	

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?		

CEO endorsement Review

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	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?		
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?		
	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)		
	5. Is co-financing confirmed and evidence provided?		
	6. Are relevant tracking tools completed?		
	7. <i>Only for Non-Grant Instrument:</i> Has a reflow calendar been presented?		
	8. Is the project coordinated with other related initiatives and national/regional plans in the country or in the region?		
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
	10. Does the project have descriptions of a knowledge management plan?		

CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:		
	• GEFSEC		
	• STAP		
	• GEF Council		
	• Convention Secretariat		
Recommendation	12. Is CEO endorsement recommended?		
Review Date	Review		
	Additional Review (as necessary)		
	Additional Review (as necessary)		

³ If it is a child project under a program, assess if the components of the child project align with the program criteria set for selection of child projects.