



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

GEF ID:	9236		
Country/Region:	Nigeria		
Project Title:	Environmentally Sound Management and Disposal of PCBs		
GEF Agency:	UNDP	GEF Agency Project ID:	5720 (UNDP)
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:	\$150,000	Project Grant:	\$6,930,000
Co-financing:	\$42,074,126	Total Project Cost:	\$49,154,126
PIF Approval:	March 14, 2016	Council Approval/Expected:	April 19, 2016
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ibrahima Sow	Agency Contact Person:	Xiaofang zhou

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? <sup>1</sup>	DS/ES, August 9, 2015: Yes. Project aligns with CW Program 3.	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	DS/ES, August 9, 2015: Yes.	
Project Design	3. Does the PIF sufficiently indicate the drivers <sup>2</sup> of global environmental degradation, issues of sustainability, market transformation, scaling, and	DS/ES, August 9, 2015: Partly. PIF sufficiently indicates most matters, however, some issues remain. In particular, it seems unclear	The proposed project differs substantially from the ongoing GEF World Bank project ('PCB Management and Disposal Project') in several important aspects:

<sup>1</sup> 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)?

<sup>2</sup> Need not apply to LDCF/SCCF projects.

## PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
	innovation?	<p>whether the proposed project is scaling up other, similar initiatives that are already underway in the country, and in how far this proposals is innovative vis-à-vis the other initiatives.</p> <p>Recommended action: Please clarify how the proposed project relates to, links with, or differs from other ongoing initiatives on management and disposal of PCBs in the country, in particular World Bank's 'PCB Management and Disposal Project'. What is the justification for starting a PCB project with UNDP when the World Bank has an ongoing PCB project?</p> <p>DS/ES, August 17, 2015: Comments cleared.</p>	<p>1) PCB Inventory: The World Bank project analyzed 1746 transformers in total in 15 states (Lagos, Oyo, Ogun, Delta, Rivers, Enugu, Anambra, Abia, Sokoto, Kaduna, Kano, Bauchi, Benue, Niger, Abuja). Under the World Bank project there was no specific commitment on the amount of equipment to be sampled. On the contrary, the proposed UNDP project will cover the remaining 21 states (component 2: Inventory of PCBs in 21 states of Nigeria not previously covered by other inventories). The project will also commit to carry out the sampling of at least 11,000 pieces of equipment. In this sense the proposed UNDP project is at the same time linked to the previous World Bank project (it will complete the PCB inventory nationwide) and differs geographically and in its targets (it will cover different states and will perform a much wider inventory effort than the previous World Bank project).</p> <p>2) PCB disposal. The World Bank project does not envisage any disposal of the identified PCB equipment. This is different from the proposed UNDP project, which specifically envisages the disposal of the PCB equipment identified under the World Bank project, and of additional PCB equipment which will be found in the course of the new inventory.</p>

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			<p>Based on the statistics made available through the World Bank project, it has been conservatively estimated that a total of at least 200 tons of PCB oil and 1500 tons of PCB-contaminated equipment will have to be treated.</p> <p>3) The World Bank project is in its final stage. To secure the PCB equipment identified under the World Bank project for disposal, it is essential to start the UNDP project as soon as possible. Considering that up to 18 months will be necessary for the preparation and approval of the UNDP project, it is likely that the inception of the UNDP project will not take place earlier than one year after the closure of the PCB WB project. Therefore it is not expected that there will be any overlap between the 2 projects. It is important to note that used electrical equipment can be considered as valuable items by potential smugglers who basically do not care whether it is contaminated with PCBs. Although storage facilities are secured places, it is thus crucial to avoid unnecessary storage time which would offer opportunities for such smuggling. In that case, Nigeria's Environment Ministry is showing its willingness to ensure continuity in the treatment of this hazardous substance, by sequencing the two projects in a synergistic though not overlapping</p>

## PIF Review

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	4. Is the project designed with sound incremental reasoning?	<p>DS/ES, August 9, 2015: Partly. Please refer to comment under Question 3 and elaborate how the project would differ, build on and complement other ongoing initiatives.</p> <p>DS/ES, August 17, 2015: Yes. Comment cleared.</p>	<p>approach.</p> <p>Please see response above under Sections 3 and 5.</p>
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	<p>DS/ES, August 9, 2015: Partly. While the components in Table B are sufficiently clear and sound, it seems unclear:</p> <p>(1) whether, and if so, how, the establishment of a PCB collection and treatment center (Component 3) would be additional to and complement other ongoing initiatives in the country. Please refer to comment under Question 3;</p> <p>(2) if treatment of PCBs would require shipping outside of the country. Please clarify;</p> <p>(3) how the country's existing inventories from 3 other GEF funded projects, including the NIP, NIP Update, and World Bank PCB project, would be used. What is the justification for \$1.5M for additional inventories?</p>	<p>1) The establishment of a PCB collection and treatment center is based on a different rationale than the 2 storage centres under completion by the World Bank project. Whilst the World Bank project would establish storage centers for PCB contaminated / containing equipment for future disposal (which will be sent to disposal facilities eventually), the PCB treatment and collection center to be established under the UNDP project will host the technology for the decontamination of cross-contaminated PCB equipment (PCB concentration up to 5,000 ppm). The storage to be established at the collection and treatment center will ensure continuous operation of the PCB treatment technology. In other words, this center must be viewed as a treatment center equipped with a storage facility. In this same centre, PCB equipment to be exported for treatment/disposal can be stored if this is logistically, environmentally and economically convenient. It is to be underlined that this</p>

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		DS/ES, August 17, 2015: Comments cleared.	<p>decontamination facility will represent an essential long-lasting infrastructure for Nigeria, which will be able to treat - without requiring export - part of the PCB problem in the country. This corresponds to a development priority - that national capacity is strengthened for a domestic solution to the threats related to POPs.</p> <p>2) Shipment abroad would be necessary only for highly PCB contaminated equipment and pure PCB oil, (project target of 200 tons) and only if at the PPG stage it will be not possible to identify national disposal facilities for the safe destruction of PCBs. As described in the PIF, in Nigeria a large cement company, which in other countries is familiar with the safe disposal of hazardous chemicals in cement kilns, owns cement plants for an overall capacity of 8 million tons / year. At the PPG stage the availability, competitiveness, and technical capacity of this company to destroy highly contaminated PCB equipment and oil in compliance with the Stockholm Convention requirements will be appraised. In case this option would prove not feasible, the highly contaminated PCB equipment will be shipped abroad for disposal, in compliance with international rules and the Basel Convention, and in compliance with national and UNDP</p>

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			<p>procurement procedures.</p> <p>3) As explained in the PIF, the NIP and NIP Update inventories contain a very limited amount of information on PCBs. The first NIP listed as a priority the need to undertake a serious effort to quantify the amount of PCBs. In 2009, a preliminary inventory of PCBs was undertaken with the bilateral support of Canada and implemented by the World Bank in 10 Nigerian states. During this inventory, the dielectric oil from 281 transformers was sampled and tested with screening test kits. Of these, 27 transformers resulted positive at the screening test. The PCB transformers were not labeled and are therefore no longer traceable. Under the GEF/World Bank "PCB management and disposal project", a limited number (1746) of pieces of equipment have been investigated for their content of PCBs in 15 states (Lagos, Oyo, Ogun, Delta, Rivers, Enugu, Anambra, Abia, Sokoto, Kaduna, Kano, Bauchi, Benue, Niger, Abuja) by means of rapid semi-quantitative analysis (chlor-n-oil50). There is no information on PCB equipment in the remaining 21 Nigerian states.</p> <p>In a different approach, the UNDP project intends to undertake a broader sampling and analysis and commits to sample and</p>

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			analyze at least 11,000 pieces of equipment. The logic envisaged by the project is different from previous efforts, in which analysis was conducted by rapid tests with uncertain outcomes. The project intends to carry out the analysis in a centralized lab, where a large number of samples can be processed with a consistent and more reliable analytical methodology; the activities at the transformer sites would therefore only consist in sampling of electric oil from the equipment. The GEF grant of USD 1.5 M would cover sampling activities, laboratory analysis, and the establishment of a PCB Management Information System where data on analyzed equipment will be entered and managed. All the remaining costs, such as the production loss associated with offline time of the electrical equipment during sampling, the personnel of the companies in charge of maintaining safety when the electrical equipment have to be turned off and then on again, will be covered by co-financing.
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	DS/ES, August 9, 2015: Yes.	
Availability of Resources	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> <li>The STAR allocation?</li> </ul>		

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	<ul style="list-style-type: none"> <li>The focal area allocation?</li> </ul>	DS/ES, August 9, 2015: Yes.	
	<ul style="list-style-type: none"> <li>The LDCF under the principle of equitable access</li> </ul>		
	<ul style="list-style-type: none"> <li>The SCCF (Adaptation or Technology Transfer)?</li> </ul>		
	<ul style="list-style-type: none"> <li>Focal area set-aside?</li> </ul>		
<b>Recommendations</b>	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	DS/ES, August 9, 2015: Not at this time. Please address comments under Questions 3, 4 and 5.  DS/ES, August 17, 2015: Comments cleared. The Program Manager recommends CEO PIF clearance.	
<b>Review Date</b>	Review	August 09, 2015	
	Additional Review (as necessary)	August 17, 2015	
	Additional Review (as necessary)		

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments



## CEO endorsement Review

Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
<b>Project Design and Financing</b>	1. If there are any changes from that presented in the PIF, have justifications been provided?	No	
	2. Is the project structure/ design appropriate to achieve the expected outcomes and outputs?	<p>Please refer to Section VIII (Governance and Management Arrangements)</p> <p>The project board is an important and critical part of the project Institutional arrangement and should be very inclusive. This board is only comprised of Government Institutions. I do not understand why major PCB holders, i.e CEMAC, the AEDC, Kaduna Electric and CEMAC and NGOs, etc.... are not part of the project BOARD. Please clarify.</p> <p>IS: December 11, 2017 Comment cleared. The project is recommended for CEO endorsement.</p>	
	3. Is the financing adequate and does the project demonstrate a cost-effective approach to meet the project objective?	Yes	
	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)	Yes	
	5. Is co-financing confirmed and evidence provided?	Yes	

CEO endorsement Review			
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	6. Are relevant tracking tools completed?	Yes	
	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?	Yes	
	9. Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?	Yes	
	10. Does the project have descriptions of a knowledge management plan?	Yes	
<b>Agency Responses</b>	11. Has the Agency adequately responded to comments at the PIF <sup>3</sup> stage from:		
	• GEFSEC	Yes	
	• STAP		
	• GEF Council	Yes	
	• Convention Secretariat	NA	
<b>Recommendation</b>	12. Is CEO endorsement recommended?	Yes	
<b>Review Date</b>	Review	November 08, 2017	
	Additional Review (as necessary)	December 11, 2017	
	Additional Review (as necessary)		

<sup>3</sup> 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.