



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

GEF ID:	9048		
Country/Region:	Ethiopia		
Project Title:	Ethiopian Urban NAMA: Creating Opportunities for Municipalities to Produce and Operationalise Solid Waste Transformation (COMPOST)		
GEF Agency:	UNDP	GEF Agency Project ID:	5541 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Climate Change
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CCM-2 Program 3; CCM-2 Program 4;		
Anticipated Financing PPG:	\$100,000	Project Grant:	\$6,667,123
Co-financing:	\$43,437,626	Total Project Cost:	\$50,204,749
PIF Approval:	April 28, 2015	Council Approval/Expected:	June 01, 2015
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Xiaomei Tan	Agency Contact Person:	Robert Kelly

Review Criteria	Questions	Secretariat Comment
Project Consistency	1. Is the project aligned with the relevant GEF strategic objectives and results framework? ¹	MGV, March 23, 2015: Yes. The project lists CCM-2 Program 3: Promote integrated low-emission urban systems and CCM-2 Program 4: Promote Conservation and enhancement of carbon stocks in forest, and other land use, and support climate smart agriculture.
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	MGV, March 23, 2015: The project aligns well with national priorities including Ethiopia's NCSA, its Second NC, and its NAPA. It is also consistent with the national Climate Resilient Green Economy strategy, the Climate Change Resilient Urban Green Development Strategy, the Climate Change Resilient Green Infrastructure Strategy, the Environmental Protection

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)?

Review Criteria	Questions	Secretariat Comment
		<p>Policy, the Urban Development Policy and the Solid Waste Management Proclamation. The project also builds up on the recent draft National Urban Green Infrastructure Standards and the draft Urban Green Infrastructure Handbook.</p> <p>a) Please assess how this project is consistent with Ethiopia's TNA.</p> <p>MGV, March 27, 2015: Comment cleared. Reference to Ethiopia's 2007 TNA has been added to document.</p>
Project Design	<p>3. Does the PIF sufficiently indicate the drivers² of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?</p>	<p>MGV, March 23, 2015: The PIF discusses the fast growth of Ethiopia and its rapid expected urbanization. Currently only 19.5% of its population lives in urban areas, but urbanization is growing at a rate of 4.9% per year.</p> <p>a) However, the PIF does not sufficiently describe the drivers and impacts of this urbanization in terms of environmental degradation, and more specifically climate change. Is it methane emissions from landfills, use of chemical fertilizers, land degradation, deforestation due to fuel wood consumption, etc? How large are these impacts in the context of Ethiopia?</p> <p>MGV, March 27, 2015: Comment cleared. Growth of solid waste from increasing urbanization is accompanied by growing methane emissions, amounting to 3 billion tCO₂eq in 2013. In addition, the lack of SWM infrastructure in informal settlements is leading to the contamination of open spaces and river banks. Growing urbanization is also leading to higher demand for biomass and thus forest degradation and deforestation. Biomass energy accounts for 92% of country's energy supply. The project aims to reduce 3.4 million metric</p>

² Need not apply to LDCF/SCCF projects.

Review Criteria	Questions	Secretariat Comment
	4. Is the project designed with sound incremental reasoning?	<p>tonnes of CO₂eq.</p> <p>MGV, March 23, 2015: The project builds upon a series of relevant activities, especially the Urban Local Government Development Programme, I and II, being implemented by the Government of Ethiopia and with support from IDA. There are a significant number of initiatives and associated funding for urban sector projects throughout the country, thus the project will require high levels of coordination.</p> <p>a) Under baseline scenario, please provide a short description of the CRGE Fast-Track Projects that include 6 UGI and 10 SWM projects (page 9).</p> <p>MGV, March 27, 2015: Comment cleared. Please ensure that there is no duplication of efforts with regards to these projects in the cities of Adama, Bishoftu, Dire Dawa and Hawassa.</p>
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	<p>MGV, March 23, 2015: The project consists of four main components: the enabling framework, the private sector value chain for compost, the NAMA architecture, and the pilot projects in 6 cities.</p> <p>a) Component 1: One of the root causes stated is the lack of enforcement of legislation and the prevalence of illegal land holdings. It is unclear how the project will effectively address these challenges. Please clarify.</p> <p>b) Component 2: How will the project incentivize the use of compost over chemical fertilizers?</p> <p>c) Component 3: What period does the GHG emissions reductions estimate from the generation of renewable biomass for fuel-wood cover? How about for the reforestation component? Who owns/manages the forest currently being harvested for fuel-wood? Who will own the newly managed urban and peri-urban forests?</p> <p>d) Component 4: Has methane capture for energy generation been considered?</p> <p>e) By CEO Endorsement, please provide a thorough</p>

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		<p>analysis of GHG emissions reductions targets, both direct and indirect.</p> <p>f) Under risks, please provide an analysis of the risk of behavioral change regarding sorting waste at a household level, as well as of the risk of illegal fuel-wood collection of the reforested areas.</p> <p>XT, March 24, 2015: Component 2: 1) Results-based financing (RBF) has been proved to be an effective measure to manage municipal solid waste. The project could consider an RBF design for the proposed financing mechanism. 2) Please summarize major challenges along the municipal solid waste value chain (generation, collection/transport, recycling/organic diversion, disposal, and energy recovery) in Ethiopian cities. Component 3: 1) Please justify the need for output 3.1 (establishment of standardized baselines for calculating emission reductions). Recycling and Composting Emissions Protocol developed by ICLEI has been used by many developing cities. 2) Output 3.4 could be merged into component 2, which focuses on market approaches.</p> <p>March 27, 2015: a) Comment cleared b) Comment cleared c) Comment cleared d) Comment cleared e) Comment acknowledged - will provide a thorough analysis of GHG emissions, both direct and indirect, at CEO Endorsement. f) Comment cleared - Risks added to table in document.</p> <p>Component 2:</p>

Review Criteria	Questions	Secretariat Comment
		<p>1) Comment cleared - Will consider RBF design during the PPF phase</p> <p>2) Comment cleared -Major challenges along MSW value change added to document</p> <p>Component 3:</p> <p>1) Comment cleared - Will use ICLEI's Composting Emissions Protocol, but will still require the development of standardized baselines for calculating emission reductions from other sources not included in ICLEI's Protocol.</p> <p>2) Comment cleared - Output 3.4 was moved to Component 2 as Output 2.6</p>
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	MGV, March 23, 2015: Yes. The project will work closely with the Horn of Africa Regional Environmental Centre and Network HoAREC, a consortium of NGO/CSO representatives. The PIF has indicated it will support in particular women-based MSEs.
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"> The STAR allocation? 	MGV, March 23, 2015: Yes. The project is requesting \$6,667,123 from Ethiopia's CCM allocation.
	<ul style="list-style-type: none"> The focal area allocation? 	MGV, March 23, 2015: Yes.
	<ul style="list-style-type: none"> The LDCF under the principle of equitable access 	MGV, March 23, 2015: NA
	<ul style="list-style-type: none"> The SCCF (Adaptation or Technology Transfer)? 	MGV, March 23, 2015: NA
	<ul style="list-style-type: none"> Focal area set-aside? 	MGV, March 23, 2015: NA
Recommendations	8. Is the PIF being recommended for clearance and PPG (if additional amount beyond the norm) justified?	<p>MGV, March 24, 2015: Not at this time. Please address the comments on boxes 2, 3, 4 and 5.</p> <p>MGV, March 27, 2015: Yes.</p>
Review Date	Review	March 23, 2015
	Additional Review (as necessary)	March 27, 2015
	Additional Review (as necessary)	

Review Criteria	Questions	Secretariat Comment at CEO Endorsement
Project Design and Financing	1. If there are any changes from that presented in the PIF, have justifications been provided?	
	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?	
Agency Responses	11. Has the Agency adequately responded to comments at the PIF ³ stage from:	

Review Criteria	Questions	Secretariat Comment at CEO Endorsement
	<ul style="list-style-type: none"> • GEFSEC 	
	<ul style="list-style-type: none"> • STAP 	
	<ul style="list-style-type: none"> • GEF Council 	
	<ul style="list-style-type: none"> • 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.