



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

GEF ID:	9206		
Country/Region:	Peru		
Project Title:	Sustainable Industrial Zone Development in Peru		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-6 Focal Area/ LDCF/SCCF Objective (s):	CCM-1 Program 1; CW-1 Program 1; CW-2 Program 3;		
Anticipated Financing PPG:	\$150,000	Project Grant:	\$4,864,000
Co-financing:	\$36,065,000	Total Project Cost:	\$40,929,000
PIF Approval:		Council Approval/Expected:	June 01, 2016
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Evelyn Swain	Agency Contact Person:	Petra Schwager

PIF Review			
Review Criteria	Questions	Secretariat Comment	Agency Response
<b>Project Consistency</b>	1. Is the project aligned with the relevant GEF strategic objectives and results framework? <sup>1</sup>	<p>The project is in line with CW-2 Program 3 for the UOPs components. Further clarification is needed for what CW-1 Program 1 will be used for.</p> <p>The project is in line with CCM-1 Program 1, but not Program 2. Program 2 is really only for innovative policy and market initiatives, like performance-based financing mechanisms.</p>	

<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)?

## PIF Review

Review Criteria	Questions	Secretariat Comment	Agency Response
		<p>The project does not catalyse investments to balance competing water uses in the management of transboundary surface or groundwaters leading to enhanced multi-state cooperation. Nor will it lead to multistate cooperation and catalyzing investments to foster sustainable fisheries. These objectives are not met by the project as the rivers that will be part of the suggested activities are national rivers, and the activities suggested primarily are focusing on optimizing water usage. Optimizing water usage in both the public and the private sector is indeed important towards ensuring sustainable development, but as such it does not fall under the GEF IW focal areas mandate.</p> <p>Pollution reduction in the receiving coastal waters to lower the impact on transboundary fish species of global concern is important, but the most important financial fish resource in Peruvian waters is Anchovy, and the main pressure on this species is related to fisheries management, not pollution.</p> <p>The rationale behind the project does not fit with the GEF-6 IW strategy. If</p>	

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		<p>IW funding is sought, the rationale needs to follow the IW strategy and deliver directly against some of the programs, their outcomes and outputs.</p> <p>19th of August 2015: NO, the underlying premise has not changed in the resubmitted project proposal, therefore nor has the argument for consistency with the GEF IW strategy.</p> <p>12/17/2015: IW has been removed.</p>	
	2. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions?	This project is consistent with the NIP under the Stockholm Convention to address UOPs.	
<b>Project Design</b>	3. Does the PIF sufficiently indicate the drivers <sup>2</sup> of global environmental degradation, issues of sustainability, market transformation, scaling, and innovation?	<p>This project takes an innovative MFA approach to dealing with industrial parks in Peru to reduce pollution. The national capacity building and training should lead to sustainability and there is a demonstrated opportunity for scale up to other areas with industrial parks in the country.</p> <p>Green chemistry is also an innovative topic within this project. However, more information is needed on what the Green Chemistry components will actually achieve.</p>	

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

## PIF Review

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		12/17/2015: Information has been provided. -Comment cleared	
	4. Is the project designed with sound incremental reasoning?	<p>This project builds off of ongoing and planned activities and policies in the country so there is demonstrated incremental reasoning. However, GHG baseline emissions are not provided. Please provide GHG baseline emissions.</p> <p>12/17/2015: Information provided. - Comment cleared</p>	
	5. Are the components in Table B sound and sufficiently clear and appropriate to achieve project objectives and the GEBs?	<p>The GHG emissions reductions estimate is quite high, especially since there are no GHG baseline emissions provided. The replication factor of 30 seems high, especially considering only "16 industrial zones are currently under planning". More details on baseline emissions and a more conservative estimate for indirect emissions is needed. Also by CEO Endorsement these estimates should have been revised.</p> <p>The component on "Increased public awareness on issues concerning eco-industrial park development achieved" is not clear. Please provide more information to justify this component or replace.</p> <p>Component 2 indicates that the requirements of SAICM will be taken</p>	

## PIF Review

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		<p>into considerations, including lead in paint. There is not enough information to understand exactly how SAICM will be covered. Based on the proposal SAICM funds are not requested, only POPs funding is requested from the chemicals window. Will SAICM be covered from the co-financing?</p> <p>Para 43 refers to cooling systems. Cooling systems include ozone-depleting substances, including CFCs and HCFCs. Will there be a plan in place to deal with end of life ODS containing cooling systems?</p> <p>Chemicals leasing is included in the proposal as an option. At the time of CEO endorsement it should show where this approach might be used.</p> <p>12/17/2015: Information provided. - Comment cleared</p>	
	6. Are socio-economic aspects, including relevant gender elements, indigenous people, and CSOs considered?	Yes.	
	7. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
<b>Availability of Resources</b>	<ul style="list-style-type: none"> <li>The STAR allocation?</li> </ul>	This project would use up the rest of Peru's CCM allocation and with what appears to be high emission	

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		reductions and a focus on industry that has not been addressed by the other two projects CCM project in Peru.	
	<ul style="list-style-type: none"> <li>The focal area allocation?</li> </ul>	<p>Yes, it is within the CW resources available.</p> <p>No, IW funds will not be available.</p>	
	<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?	<p>Not at this time. This project is not eligible for IW funding as it is designed in addition to other issues mentioned above.</p> <p>19th of August 2015: No, the project will not be eligible for IW funding, please remove and resubmit</p> <p>12/17/2015: IW has been removed. PIF clearance is recommended.</p>	
<b>Review Date</b>	Review	August 11, 2015	
	Additional Review (as necessary)	August 18, 2015	
	Additional Review (as necessary)	December 17, 2015	

## 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?		
	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		

CEO endorsement Review			
Review Criteria	Questions	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
	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 <sup>3</sup> 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)		

<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.