



**GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS*
THE GEF/LDCF/SCCF/NPIF TRUST FUNDS**

GEF ID:	5300		
Country/Region:	Regional (Armenia, Belarus, Kazakhstan, Ukraine)		
Project Title:	Regional Demonstration Project for Coordinated Management of ODS and POPs Disposal in Ukraine, Belarus, Kazakhstan and Armenia		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Multi Focal Area
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CHEM-1; CHEM-2;		
Anticipated Financing PPG:	\$275,000	Project Grant:	\$18,000,000
Co-financing:	\$74,500,000	Total Project Cost:	\$93,050,000
PIF Approval:	February 05, 2014	Council Approval/Expected:	March 21, 2014
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Evelyn Swain	Agency Contact Person:	Yury Sorokin

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible ?	Yes, the countries are all eligible for POPs and all except for Armenia is eligible for ODS. Armenia is only receiving POPs funding.	Yes.
	2. Has the operational focal point endorsed the project?	Endorsement letters are missing from Armenia and Kazakhstan. ES, 1/15/13, Missing endorsement letters should be submitted by the time of project approval. ES, 4/29/13- All endorsement letters have been submitted.	Yes.

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated January 2013

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Resource Availability	3. 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.	Yes.
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or Technology Transfer)?		
	• the Nagoya Protocol Investment Fund		
Strategic Alignment	4. Is the project aligned with the focal area/multifocal areas/ LDCF/SCCF/NPIF results framework and strategic objectives ? <i>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 progress toward achieving the Aichi target(s).</i>	Yes, this project is in line with the chemicals focal area for ODS and POPs. This is not a multi focal area project, it is a multi chemical project within the chemicals focal area. Please correct the project type. ES, 4,15,13: Project type has been corrected. Comment cleared.	Yes.
	5. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, NBSAP or NAP?	Yes, it is consistent with NIP priorities. Is this consistent with the country programs or these countries?	Yes.
	6. Is (are) the baseline project(s) , including problem(s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?		Baseline projects are provided, however, it's not clear how this project will be effected if the expected baseline project changes. For example, there have been delays with the World Bank project in Kazakhstan to build a treatment facility.

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Project Design			<p>How will this project be effected and how will the project respond to any changes in what is expected?</p> <p>ES, 9/20/16: UNIDO clarified the project management structure will allow for adequate response to baseline project changes. -Comment cleared.</p>
	<p>7. Are the components, outcomes and outputs in the project framework (Table B) clear, sound and appropriately detailed?</p>	<p>Component 3: Please clarify what the incentives for collection of ODS and POPs will include in 3.5.</p> <p>ES, 4/15/13: Incentives provided. During PPG stage the appropriate incentives should be investigated and elaborated at the time of CEO endorsement. Fees at the time of disposal may result in improper disposal to avoid fees.</p> <p>Activities in 3.1.3 are related to the Basel Convention and therefore should be done through co-financing only.</p> <p>ES, 4/15/13: Addressed, comment cleared.</p> <p>Component 4: Please explain the public private partnership in 4.2.</p> <p>ES, 4/15/13: Addressed, comment cleared</p> <p>Component 5: There is a discrepancy between 5.4 and 5.1.4 one says that the project will achieve destruction of 2,500 MT POPs</p>	<p>For Component 4. Why are there only estimates of GEB estimates provided for PCBs? What are the estimates for other POPs?</p> <p>ES, 9/20/16: GEBs have been corrected. -Comment cleared</p> <p>It is not clear exactly what destruction technology will be used in each country. The intent of the project is to achieve co-destruction of POPs and ODS, however para 22 states that there will be independent but linked ODS and POPs destruction centers. Please provide very clear information on destruction centers, including what kind will be used where, and if they are already existing or not. Where will the Plasma Arc system be used? The benefit of the regional projects is that countries should be able to share facilities. A chart with this information may be helpful.</p> <p>ES, 9/20/16: Information has been provided. -Comment cleared</p> <p>For ODS information is needed on the recycling centers, for example, where will they be located, how will they be</p>

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		<p>and 280 MT of ODS per year and the other says that the projects will achieve these amounts over the life of the project. If these amounts are over the life of the project how is building new facilities be justified and sustained?</p> <p>ES, 4/15/13 Addressed, Comment cleared.</p> <p>Please explain 5.1.2. Why are laboratories needed for transportation and vehicle monitoring?</p> <p>ES, 4/15/13: Addressed, Comment cleared.</p> <p>Component 6: Please clarify how much PCBs will be destroyed in Armenia and how this fits in with the project.</p> <p>ES, 4/15/13: Addressed, Comment cleared.</p> <p>Is there a need for training local NGOs in 6.1.4</p> <p>ES, 4/15/13: Addressed, Comment cleared.</p>	<p>set up, what is the collection process for EOL equipment, will there be incentives for turn in of cold units, what type of refrigerant and foam recovery technology will be used?</p> <p>ES, 9/20/16: information has been provided. -Comment cleared</p> <p>Will there be issues with transboundary shipment of waste in the region? How will these barriers be overcome?</p> <p>ES, 9/20/16: UNIDO clarified that regional customs agreements will permit movement where necessary. -Comment cleared</p> <p>Will the use of carbon markets for ODS destruction be used to increase cost effectiveness?</p> <p>ES, 9/20/16: The potential use of carbon markets was assessed and not found to be appropriate but it will be reassessed on approval. In the response to comments from Canada on cost effectiveness carbon markets were mentioned as an option, so this information conflicts. Please provide clarification the use of carbon markets to increase cost effectiveness.</p> <p>ES, 2/1/17: It has been clarified that while carbon markets are not appropriate at this time they will be reevaluated during implementation to see if they support cost effectiveness. -</p>

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			Comment cleared
	8. (a) Are global environmental/ adaptation benefits identified? (b) Is the description of the incremental/additional reasoning sound and appropriate?	<p>There is a discrepancy between what the GEBs will be for the project as mentioned above in question 7. The amount of benefits achieved by the project needs to be clarified.</p> <p>What are the benefits that will come from recycling of collected ODS appliances. Will the PCBs and mercury contained in collected appliances be addressed.</p> <p>Will ODS containing foams be collected and properly managed from appliances?</p> <p>ES, 4/15/13: All comments addressed, GEB's clarified.</p>	<p>GEBs for ODS and PCBs have been identified. Benefits from recycled materials are also identified. Will there be other GEBs from the project in terms of POPs destruction other than PCBs?</p> <p>ES, 9/20/16: Information provided. - Comment cleared</p>
	9. Is there a clear description of: a) the socio-economic benefits , including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?		Yes, socio-economic and gender dimensions are included in the project. Creating of new green jobs through the project will be a benefit.
	10. Is the role of public participation, including CSOs, and indigenous peoples where relevant, identified and explicit means for their engagement explained?	Yes.	Yes.
	11. Does the project take into account potential major risks, including the consequences of climate change, and describes sufficient risk mitigation measures? (e.g.,	Yes.	Yes.

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	measures to enhance climate resilience)		
	12. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	FAO is considering an obsolete pesticide project in this region. How will this project coordinate with the FAO project? ES, 4/15/13: Addressed, comment cleared.	There is a GEF-6 project proposed in Belarus through UNDP. Will this project work in coordination with that one if approved? ES, 9/20/16: Coordination is confirmed. -Comment cleared
	13. Comment on the project's innovative aspects, sustainability, and potential for scaling up. <ul style="list-style-type: none"> • Assess whether the project is innovative and if so, how, and if not, why not. • Assess the project's strategy for sustainability, and the likelihood of achieving this based on GEF and Agency experience. • Assess the potential for scaling up the project's intervention. 	The sustainability and potential for scale up of this project need to be addressed. Please clarify how this project will be sustained, and if there is a need in the countries for the facilities which the projects proposes to develop. ES, 4/15/13: Addressed, comment cleared. Carbon trading should be elaborated at the time of endorsement. This project is innovative because it will demonstrate co-destruction of ODS and POPs waste.	The project is innovative because it's the first to demonstrate co-destruction of POPs and ODS. Recycling of the durable materials such as metals will generate a revenue stream and support sustainability of the project. Building capacity in the region/ individual countries to manage waste POPs and ODS will support scale up.
	14. Is the project structure/design sufficiently close to what was presented at PIF, with clear justifications for changes?		
	15. Has the cost-effectiveness of the project been sufficiently demonstrated, including the cost-effectiveness of the project design as compared to alternative approaches to achieve similar benefits?		Will the use of carbon markets for ODS destruction be used to increase cost effectiveness? ES, 9/20/16: According to UNIDO the potential use of carbon markets was assessed and not found to be appropriate

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			<p>but it will be reassesses on approval. However, in the response to comments from Canada on cost effectiveness carbon markets were mentioned as an option, so this information conflicts. Please provide clarification the use of carbon markets to increase cost effectiveness.</p> <p>There is cost effectiveness in co-destruction of POPs and ODS together, also the recycling of durable materials such as metals will generate revenues.</p> <p>ES, 2/1/17: It has been clarified that while carbon markets are are not appropriate at this time they will be reevaluated during implementation to see if they support cost effectiveness. - Comment cleared</p>
Project Financing	<p>16. Is the GEF funding and co-financing as indicated in Table B appropriate and adequate to achieve the expected outcomes and outputs?</p>	<p>It is unclear if the GEF funding is appropriate because it is unclear what the benefits of the project will be. However, in general the funding is too high. The cost effectiveness for the POPs disposal is above what is usually funded. Please clarify the high cost of ODS destruction.</p> <p>ES, 4/15/13: The cost effectiveness has been clarified and elaborated. Comment cleared.</p>	<p>Yes.</p>
	<p>17. <u>At PIF</u>: Is the indicated amount and composition of co-financing as indicated in Table C adequate? Is the amount that the Agency bringing to the project in line with its role? <u>At CEO endorsement</u>: Has co-</p>	<p>UNIDO brings \$300,000 cash and \$150,000 in-kind.</p> <p>The majority of co-financing is from the private sector, please elaborate on what companies are to be targeted and how the funds from these enterprises will be</p>	<p>Co-financing letters must be provided.</p> <p>ES, 9/20/16: Co-financing letters have been provided. -Comment cleared</p>

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	financing been confirmed?	integrated in the project. ES, 4/15/13: Addressed, comment cleared. Co-financing will also come from national governments, however financing letters are not included.	
	18. Is the funding level for project management cost appropriate?	PMC is appropriate at 4%.	Yes.
	19. <u>At PIF</u> , is PPG requested? If the requested amount deviates from the norm, has the Agency provided adequate justification that the level requested is in line with project design needs? <u>At CEO endorsement/ approval</u> , if PPG is completed, did Agency report on the activities using the PPG fund?		Yes, a PPG report was provided.
	20. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?	NA	NA
Project Monitoring and Evaluation	21. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		Yes.
	22. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		Yes.
Agency Responses	23. Has the Agency adequately responded to comments from:		
	<ul style="list-style-type: none"> • STAP? 		Please confirm that STAP comments were considered. ES, 9/20/16: STAP comments were

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			addressed.-Comment cleared
	<ul style="list-style-type: none"> • Convention Secretariat? • The Council? 		<p>None recieved</p> <p>ES, 9/20/16: The Canadian and Germany comments have been addresses in Annex B. However the comment from Canada on cost effectiveness has not been adequately addressed, please provide a through justification of disposal costs higher than the MLF ceiling. Have other countries demonstrated plasma arc technology and what was the effectiveness of those demonstrations?</p> <p>Also there is contradicting information on using carbon markets to increase cost effectiveness. Please clarify if carbon markets are a option or not.</p> <p>ES, 2/1/17: Council Comments have been clarified in Annex B. -Comment cleared</p>
	<ul style="list-style-type: none"> • Other GEF Agencies? 		<p>FAO has provided comments which should be addressed.</p> <p>Please confirm that FAO comments have been addressed.</p> <p>ES, 9/20/16: It was confirmed FAO comments were addressed. -Comment cleared</p>
Secretariat Recommendation			
Recommendation at PIF Stage	24. Is PIF clearance/approval being recommended?	<p>Not at this time several issues need to be addressed.</p> <p>ES, 4/15/13: PIF approval is recommended pending receipt of</p>	

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		<p>endorsement letters.</p> <p>ES, 4/29/13: All endorsement letters have been received. PIF approval is recommended.</p> <p>ES, 1/28/14: The budget has been reduced. A scale up project is expected in GEF6. PIF approval has been recommended.</p>	
	25. Items to consider at CEO endorsement/approval.	<p>During PPG stage the appropriate incentives should be investigated and elaborated at the time of CEO endorsement. Fees at the time of disposal may result in improper disposal to avoid fees.</p> <p>Carbon trading should be elaborated at the time of endorsement.</p>	
Recommendation at CEO Endorsement/ Approval	26. Is CEO endorsement/approval being recommended?		<p>Not at this time several issues need to be addressed.</p> <p>ES, 9/20/16: Not at this time there are issues that need to be addressed.</p> <p>ES, 2/1/17: All issues have been addressed. CEO endorsement is recommended.</p>
	First review*	April 02, 2013	
Review Date (s)	Additional review (as necessary)	April 15, 2013	September 20, 2016
	Additional review (as necessary)	April 29, 2013	February 01, 2017

* This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.