



PROJECT IDENTIFICATION FORM (PIF) ¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND:(choose fund type)

PART I: PROJECT IDENTIFICATION

Project Title:	Environmentally sound management of POPs and destruction of PCBs wastes		
Country(ies):	The People's Democratic Republic of Algeria	GEF Project ID: ²	4508
GEF Agency(ies):	UNIDO (select) (select)	GEF Agency Project ID:	XX/ALG/09/XXX
Other Executing Partner(s):	Ministry of Land Planning and Environment (MATE)	Submission Date:	
GEF Focal Area (s):	Persistent Organic Pollutants	Project Duration (Months)	60 months
Name of parent program (if applicable): > For SFM/REDD+ <input type="checkbox"/>		Agency Fee (\$):	630,000

A. FOCAL AREA STRATEGY FRAMEWORK³:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Co-financing (\$)
(select) CHEM-1	Outcome 1.4 POPs waste prevented, managed, and disposed of, and POPs contaminated sites managed in an environmentally sound manner.	Output 1.4.1 PCB management plans under development and implementation	GEFTF	6,000,000	18,550,000
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)	Others		(select)		
Sub-Total				6,000,000	18,550,000
Project Management Cost ⁴			(select)	300,000	1,000,000
Total Project Cost				6,300,000	19,550,000

B. PROJECT FRAMEWORK

Project Objective: The objective of this project is to reduce adverse effects of PCBs and POPs waste to human health and the environment in Algeria through capacity building and the elimination of use and release of PCBs and POPs waste. The project will establish final disposal processes that can be applied to PCB and POPs waste and support sustainable operation of the processes by building institutional and technical capacities for EMS of PCBs and POPs waste.

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Cofinancing (\$)
1. Institutional and	TA	Strengthening of	Regulations and policies	GEFTF	550,000	1,122,590

¹ It is very important to consult the PIF preparation guidelines when completing this template.

² Project ID number will be assigned by GEFSEC.

³ Refer to the reference attached on the [Focal Area Results Framework](#) when filling up the table in item A.

⁴ GEF will finance management cost that is solely linked to GEF financing of the project.

regulatory framework for the ESM of PCB and POPs waste		legislative and regulatory framework and institutional capacity for the ESM of PCBs and POPs waste	drafted and enforced; training workshops for relevant government officials held.			
2. Awareness raising and training of concerned stakeholders	TA	Increased awareness of civil society and the public-private sectors on adverse effects of PCBs as well as increased capacity on ESM of PCBs and POPs waste for concerned stakeholders	Stakeholder training workshop at technical and managerial levels held; public education courses and awareness raising programmes implemented	GEFTF	650,000	958,540
3. Technical assistance for the ESM of PCBs and planning of phase-out and disposal of PCB waste	TA	Strengthening of technical capacity for the ESM of PCBs and POPs waste, and improvement of infrastructure for the ESM and phase-out of PCBs and POPs waste	Safe interim storage sites for PCB and POPs wastes established; PCB and POPs waste inventories updated; PCB management plan developed; technology options for the destruction of PCB and POPs waste identified.	GEFTF	1,800,000	2,614,800
4. Phase out of PCB and other POPs waste (phase one and phase two)	TA	Improvement of capacity for the phasing-out and destruction of PCBs and other POPs wastes	PCB phase-out plans established; approximately 5,000 tons of PCB and POPs waste disposed of	GEFTF	3,000,000	13,854,070
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Sub-Total					6,000,000	18,550,000
Project Management Cost ⁵				GEFTF	300,000	1,000,000
Total Project Costs					6,300,000	19,550,000

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$)

Sources of Cofinancing	Name of Cofinancier	Type of Cofinancing	Amount (\$)
National Government	Government of Algeria	Grant	15,200,000
National Government	Government of Algeria	In-kind	4,300,000
GEF Agency	UNIDO	In-kind	50,000
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Cofinancing			19,550,000

D. GEF/LDCF/SCCF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

⁵ Same as footnote #3.

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount (a)	Agency Fee (b)²	Total c=a+b
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				0	0	0

¹ In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table

² Please indicate fees related to this project.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1 the [GEF focal area/LDCF/SCCF](#) strategies:

The project is consistent with Chemicals Objective 1: Phase out POPs and reduce POPs releases, Outcome 1.4: POPs waste prevented, managed and disposed of and POPs contaminated sites managed in an environmentally sound manner. This project will contribute to the GEF-5 indicator 1.4.1: Amount of PCBs and PCB-related wastes disposed of, or decontaminated; measured in tons as recorded in the POPs tracking tool.

A.1.2. For projects funded from LDCF/SCCF: the LDCF/SCCF eligibility criteria and priorities:

n/a

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

The Algerian National Implementation Plan (NIP) for the Stockholm Convention has identified PCBs as one of the top priorities to be addressed, and therefore this project is in line with the national strategies in the POPs management.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

The Stockholm Convention on POPs, which entered into force in May 2004, promotes elimination and/or reduction of the releases of POPs from their use, import, export, and final disposal. Algeria ratified the Convention on September 22, 2006. The NIP of Algeria was developed from 2002 – 2006 with support from the United Nations Industrial Development Organization (UNIDO). The environmentally sound management (ESM) of PCBs was identified in the NIP as one of the key priorities for Algeria to meet its obligations under the Convention. In 2003, a preliminary inventory of PCB-containing equipment and wastes as well as contaminated sites was established as part of the NIP project.

Algeria is holding a large stock of PCB-based waste management which poses financial, technical and environmental problems as mentioned in the NIP. The largest holders of PCB are the industrial and energy sectors which represent a rate of 51% of transformers inventoried in the NIP. Several public and private companies such as the National Company of Electricity and Gas (SONELGAZ) that alone holds 30% of these transformers, the steel company Arcelor Mittal, which owns more than 400 PCB transformers, FERTIAL, (group ASMIDAL) which owns equipment 130 PCB equipment including 85 transformers, and the company COTITX which has 83 discarded transformers. It was found that more than 5,000 tons of PCB-containing wastes exist in Algeria. Since 2005, several companies exported abroad transformers containing PCBs, liquid PCBs (oil), and waste and soil contaminated by PCBs for the safe disposal in authorized PCBs disposal plants in Europe. 794t of PCBs oil, 543t of contaminated soil, 972t of PCBs transformers and 57t of PCB waste have been disposed, for an overall cost of near 4 million euro including transportation. Due to the high cost of disposal, without significant benefit for the country in terms of increasing capacity of disposal of PCBs and other hazardous waste, this option has been ceased by the Algerian government, and the companies are not currently allowed to send abroad for disposal of PCBs waste and PCB containing equipment. With this project a significant amount of funding was mobilized by the Algerian government as co-financing to establish the ESM of POPs and final disposal processes within the country to manage these wastes domestically.

Without GEF financial support, the Government of Algeria could initiate a baseline project to establish the ESM for PCBs and POPs waste with limited institutional capacities for project planning and monitoring. Due to a lack of technical knowledge and project implementation experience of the Government of Algeria the project would not be as cost effective and

resource efficient as that funded by the GEF project with support from the GEF agency, and therefore the project might not be able to dispose of as much PCBs and POPs waste as a GEF project could do with the same resources. It is more likely that the project without GEF support could end up acquiring a PCB/POPs waste decontamination technology at a higher price than that given by a GEF project, as PCB decontamination technology providers would need to bear the political and business risks in installing their technical process for operation. The technical strategies proposed by the international bidders might not be properly reviewed by the third party such as a GEF agency, and the technical strategy could not be fine-tuned for selecting more effective technologies meeting the country's needs. All these possible shortcomings of a non-GEF project may lead to less disposal amounts and improper management of PCBs and POPs waste. This would be the baseline project activities funded only by the Government co-financing without GEF resources.

It is important to mention that the project has benefited from the PDF-B funds amounting to US\$ 260,000 approved by GEF for the World Bank (ID 2467) dated 24 March 2004 and reallocated to UNIDO on 14 May 2009 when the World Bank withdrew. UNIDO has developed the project document funded by the GEF's project preparation fund and carried out some PCB inventory capacity building activities by engaging PCB test kits for samples taken from transformers owned by SONELGAZ in five major cities (Algiers, Oran, Constantine, Annaba, and Laghouat). As outputs of the PDF-B phase, the project document and CEO Endorsement Request are ready for submission to GEF.

The city of Boughezoul is currently under development by the government of Algeria where the recently approved UNEP/GEF project on Zero-Emission New Town of Boughezoul, Medea will be put into implementation. This project is expected to build the PCB and POPs treatment process in this town to seek synergies between these projects and other green technology related initiatives.

The PCB project in Morocco implemented by UNIDO and UNDP is now at a stage where PCB inventories will be further elaborated. There are a number of international service providers based in Morocco which will be engaged through proper bidding, whenever appropriate, when it comes to technical corporation and/or transfer activities between Algeria and Morocco.

In terms of environmental management capacity, there are some bilateral assistance projects that have been carried out to increase the governmental institution's capacities. For example, the Japan International Cooperation Agency (JICA) has projects since 2005 to strengthen environmental monitoring capacities of a governmental laboratory, under MATE's management, that is expected to join the project for POPs analysis. However, in such projects, there are no components specifically targeting PCB monitoring, which requires special trainings customized to the group of persistent organic pollutants (POPs). Therefore this project would further build up POPs specific capacities on those baseline activities.

The regulation related to PCBs, PCBs and industrial waste – The Decree No 87/182 of 18/8/1987, has been in place to regulate the operation of those PCB equipment in service, empowers the owners of such waste and defines the technical conditions of their storage pending disposal. The national policy on environmentally hazardous special waste has been also established in Algeria. One of the priorities for environmental protection has been elaborated in part of the National Environmental Strategy (SNE) and the National Environmental Action Plan and Sustainable Development (PNAE-DD), initiated by the Ministry of Planning and Environment. The sectors involved in the environmental protection include agriculture, health, industry, energy and mining, education, higher education, and scientific research which would be expected to participate in this project under each parent stakeholder Ministry's initiatives.

B. 2. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF financing and the

associated [global environmental benefits](#) (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

Algeria has identified in its NIP shortcomings regarding the environmentally sound management of POPs. It was found that although Algeria has in place a general legal framework for the protection of the environment and public health, the development of a legislative and regulatory framework on POPs is a key component for the implementation of an ESM plan for PCBs in the country. To date, there are no regulations or policies in place that specifically address PCBs and the management of PCB-containing electrical equipment. Moreover, there are no specific standards and guidelines that would ensure a progressive phase out and elimination of PCBs and PCB-containing electrical equipment. The project will assist the drafting work of such regulations and technical guidelines to be submitted to the policy making organs of the government.

While the central institutional framework has been created during the NIP development, there is a need for extensive capacity building in order to enable authorities to implement the NIP action plans and to be capable of providing guidance to public and private enterprises regarding the ESM of PCBs. The NIP development process furthermore revealed that there is a lack of public participation in the management of POPs in the country and that concerned ministries did not fully share information on POPs and related activities. The project will encourage public participation by hosting workshop by inviting public audience. The project will also engage concerned ministries by having seconded members in the project office whenever possible, and engage private sectors' capacities and resources wherever possible.

The NIP implementation at the country level requires that these barriers should be overcome and adequate capacity at the state and local level is built for the enforcement of regulations and policies. Moreover, Algeria lacks capacity regarding the analysis and the monitoring of PCB releases by national laboratories. In this regard, standards, methods and accreditation procedures for the monitoring and analysis of PCBs are also not yet in place. The project will assist the laboratory under MATE to acquire analytical capacities of PCBs with both PCB test kits and Gas Chromatograph with Electron Capture Detector.

It is likely that this "business-as-usual" scenario will remain due to a shortage of national institutional technical capacity and funding for related capacity building and PCB phase-out projects. Without the implementation of the GEF Full-Size-Project, the shortcomings identified in the "business-as-usual" scenario would persist or change at a rather slow rate. National capacity regarding the ESM of POPs chemicals and other hazardous substances will remain at a generally low level. The negative consequences will include a continued release of PCBs to the environment. With the implementation of this project, Algeria will develop national capacity on the ESM of PCBs and POPs. Technologies applicable for treating different types of POPs have been recently available on the market, and this project will optimize the activities and resources to acquire a treatment process for PCBs as well as other POPs. This in turn will assist Algeria in meeting its obligations under the Stockholm Convention to eliminate the use and releases of PCB with the overarching goal to protect human health and the environment from the adverse effects of PCBs.

The global environmental benefits of the implementation of the project will include the reduction of use, trade and releases of PCBs and other POPs to the environment.

B.3. Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF). As a background information, read [Mainstreaming Gender at the GEF.](#)":

One of the key socioeconomic benefits of the project is the contribution to the national development plan of the country. The establishment of environmental technology facilities and associated green processes will further accelerate the development of the area in Boughezoul and create job opportunities for those trained in the emerging discipline of environmental engineering and science. The jobs created for this process will be construction work, process operation, facility management, transportation, and administration. Some managers and high-

skill operators might need to receive onsite and on-the-job training.

The gender involvement in policy decision making in the governmental institutes is not low. As a matter of fact, the counterpart of the project, the Ministry of Land Planning and Environment, is known to be one of the employers for the highest women's employees of about 60%. Nevertheless, the project will monitor gender balance in its all aspects of the project implementation including administration, technical experts, chemical analysts, transportation, waste management, and managerial positions.

Global environmental benefits of the project will include the reduction of ongoing human health and environmental threats from PCBs, through the prevention of future releases of about 5,000 tons of PCB-containing transformers, capacitors and circuit breakers taking into account the environmentally sound transport, storage and final disposal of PCB-contaminated wastes. The reduction of the use of PCBs and their final destruction will also support the implementation of other international agreements on POPs, such as the Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and Their Disposal and the Rotterdam Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals.

B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

Risk	Risk Mitigation Measures
Unstable political condition in the country that could cause major structural and human resource changes at the executing agency	Involvement and commitment of key governmental stakeholders, the largest entities in industry sectors such as the electric utility sector (e.g. SONEL GAZ, SONATRACH) and the mining sector, can greatly reduce this risk.
A gap to be addressed between the government's needs and the environmental process capacity that will be acquired by the project	During the selection process of an environmental process that will be acquired by the project for decontamination of PCBs, the government of Algeria and UNIDO will host a technology vendor workshop by inviting all potential bidders for the environmental process and also explain Algeria's needs for treating a wider categories of industrial wastes so that bidders could include capacities of their processes treating other industrial waste in the same PCB decontamination process.
Delays in project implementation and low quality performance	Dissemination of the project progress and coordination between project management office and key stakeholders will be promoted through the Project Management Office that is monitored by UNIDO. The key technical vendors will be called upon at a workshop when the inventory is completed, so that the project can receive critical feedback from international players that will be fully considered in making the project's technical decisions.

- B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

SONELGAZ (National Company for Electricity and Gas) and SONATRACH (National Oil Company of Algeria) are considered to be the main PCB holders in the country. They will be involved in the PCB inventory, phase-out planning of PCB contaminated electric equipment, and interim storage and final disposal of those equipment

- B.6. Outline the coordination with other related initiatives:

The project shall ensure the great deal of coordination with the projects in other GEF Focal Areas, in particular, the recently approved UNEP/GEF project on Zero-Emission New Town of Boughezoul, Medea. In addition to other projects in international waters such as the UNEP/GEF project “Strategic Partnership for the Mediterranean Large Marine Ecosystem - Implementation of Agreed Actions for the Protection of the Environmental Resources of the Mediterranean Sea and Its Coastal Areas” and the World Bank-GEF “Investment Fund for the Mediterranean Sea Large Marine Ecosystem Partnership”. UNIDO will ensure that other GEF agencies will be contacted to avoid overlapping activities and seek synergies between the projects. The sustainability of the capacities built and the PCB decontamination process installed will be secured by the fact that this entire town of Boughezoul is now being developed as a green industry town. The technical and human resources needed for the sustainable operation will be made available by other sectors in the town and vice versa.

C. DESCRIBE THE GEF AGENCY’S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

UNIDO is within the comparative advantage matrix set out in GEF/C.31/5 rev.1. UNIDO’s operation has been extensively carried out in the POPs focal areas of GEF, In particular, UNIDO has a field office in the country from which most local activities will be managed.

- C.1 Indicate the co-financing amount the GEF agency is bringing to the project:

The total amount of USD 200,000 will be offered as in-kind contribution of UNIDO during 60 months.

- C.2 How does the project fit into the GEF agency’s program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

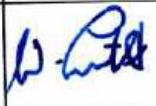
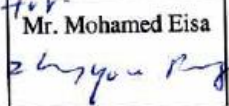
UNIDO currently supports capacity building and technical transfer in the area of (i)Energy & Environment, (ii)Trade, and (iii)Poverty Reduction. UNIDO has projects in Algeria on Montreal Protocol, which are supported by the UNIDO's local office. Therefore this project matches the UNIDO's thematic program areas and the implementation will be well supported by its local staff.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S): (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Mr. Kamel DJAMOUI	GEF Operational Focal Point	MINISTERE D'AMENAGEMENT DE TERRITOIRES ET L'ENVIRONNEMENT	03/03/2011

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF/LDCF/SCCF policies and procedures and meets the GEF/LDCF/SCCF criteria for project identification and preparation.					
Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Mr. Dmitri Piskounov Managing Director UNIDO GEF Focal Point		4/13/11	Mr. Mohamed Eisa 	+43 (1) 26026-4261	M.Eisa@unido.org