



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

GEF ID:	4441		
Country/Region:	China		
Project Title:	Minimizing Formation and Releases of Unintentionally Produced POPs (UPOPs) from China's Pulp and Paper Sector		
GEF Agency:	World Bank	GEF Agency Project ID:	125528 (World Bank)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	POPs
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CHEM-1; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$15,000,000
Co-financing:	\$60,000,000	Total Project Cost:	\$75,000,000
PIF Approval:		Council Approval/Expected:	March 01, 2011
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Anil Sookdeo	Agency Contact Person:	Jiang Ru

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	
	2. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	No	
	3. Has the operational focal point endorsed the project?	Yes	
Agency's Comparative Advantage	4. Is the Agency's comparative advantage for this project clearly described and supported?	The World Bank has wide experience in the pulp and paper industry including implementation of pulp and paper projects in China. This project is the first to seek to address U-POPs reduction in this specific sector, but with the World Bank's expertise in the sector they will be able to implement the project as described.	

*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 9-8-2010

	5. Is the co-financing amount that the Agency is bringing to the project in line with its role?	There is no indication at this stage if the World Bank will be providing resources to the project. The World Bank should indicate what its contribution to the funding of the project will be. 15 February 2011 Comment addressed adequately.	
	6. Does the project fit into the Agency's program and staff capacity in the country?	Yes	
Resource Availability	7. Is the proposed GEF/LDCF/SCCF Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	N/A	
	• the focal area allocation?	N/A	
	• the LDCF under the principle of equitable access?	N/A	
	• the SCCF (Adaptation or Technology Transfer)?	N/A	
	• focal area set-aside?	N/A	
Project Consistency	8. Is the project aligned with the focal area/multi-focal area/ LDCF/SCCF results framework?	Yes, the reduction of U-POPS is consistent with the Chemical Strategy of GEF 5	
	9. Are the relevant GEF 5 focal area/ LDCF/SCCF objectives identified?	Yes	
	10. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, and NCSA?	Yes	
	11. Does the proposal clearly articulate how the capacities developed will contribute to the institutional sustainability of project outcomes?	Yes. The Government of China is already working to significantly reduce environmental pollution from the pulp and paper industry to both protect the environment and reduce the water and energy consumption from this sector. This project will build the capacity to determine and implement BAT/BEP technology to prevent the emissions of U-POPs from existing and future mills in this sector. This will thereby ensure that the sector will reduce and/or completely	

		prevent U-POPs emissions.	
Project Design	12. Is (are) the baseline project(s) sufficiently described and based on sound data and assumptions?	<p>Yes. The Government of China is already in the process of transforming the pulp and paper sector through its own resources and bi and multi-lateral funding. These projects are aimed at addressing the pollution and inefficient use of water and energy from the industry. The process involves the closure of small inefficient mills and promotion of larger more efficient ones. BAT/BEP technologies for reducing emissions of U-POPs has not yet been done since there is no data on economic and technical feasibility of methods that could be employed in this sector.</p> <p>The GEF Project will explore and test the technical and economic feasibility of various BAT/BEP methodologies that once proven will be utilized by the industry in current and future mills.</p>	
	13. Is (are) the problem(s) that the baseline project(s) seek/s to address sufficiently described and based on sound data and assumptions?	Yes	
	14. Is the project framework sound and sufficiently clear?	Yes	
	15. Are the incremental (in the case of GEF TF) or additional (in the case of LDCF/SCCF) activities complementary and appropriate to further address the identified problem?	Yes.	
	16. Are the applied methodology and assumptions for the description of the global environmental benefits/adaptation benefits sound and appropriate?	Yes	
	17. Has the cost-effectiveness sufficiently been demonstrated, including the cost-effectiveness of the project design approach as compared to alternative	The funding for the Investment Component in the projects is very high. The GEF Agency should describe how the funding amount was estimated.	

	approaches to achieve similar benefits?	15 February 2011 Comment addressed adequately.	
	18. Is there a clear description of the socio-economic benefits to be delivered by the project and of how they will support the achievement of environmental/ adaptation benefits (for SCCF/LDCF)?	Yes. Improvements in this industry will directly provide livelihood benefits to farmers producing non-wood fibers for the pulp and paper industry as well as reducing water pollution, which will improve the water quality in the regions where these plants are located. Additionally the exposure to U-POPS will be significantly reduced.	
	19. Is the role of civil society, including indigenous people and gender issues being taken into consideration and addressed appropriately?	Yes	
	20. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	Yes	
	21. Is the provided documentation consistent?	Yes	
	22. Are key stakeholders (government, local authorities, private sector, CSOs, communities) and their respective roles and involvement in the project identified?	Yes	
	23. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	Coordination with the UNIDO project (GED ID 3572) "Regional Plan for Introduction of BAT/BEP Strategies to Industrial Source Categories of Stockholm Convention Annex C of Article 5 in ESEA Region" should be clearly established. This regional project (including China) has a component dealing with the adoption and introduction of BAT/BEP strategies to the pulp and paper sector in Vietnam. 15 February 2011 Comment addressed adequately.	
	24. Is the project implementation/ execution arrangement adequate?	Yes	

	25. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	26. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	27. Is the GEF/LDCF/SCCF funding level for project management cost appropriate?	Yes. The PM budget is 8%	
	28. Is the GEF/LDCF/SCCF funding per objective appropriate to achieve the expected outcomes and outputs according to the incremental/additional cost reasoning principle?	Please provide an estimated breakdown of what would be included in each component to assist in determining if the costs are appropriate. 15 February 2011 Comment addressed adequately.	
	29. Comment on indicated cofinancing at PIF. At CEO endorsement, indicate if cofinancing is confirmed.	The Expected co-financing should be 1:4. Please consider the costs of the baseline project to be the co-financing and the GEF funding to be the incremental costs to achieve the prevention of releases of U-POPS. 15 Februray 2011 Co-financing increased at a 1:4 ratio.	
	30. Is the budget (GEF/LDCF/SCCF funding) per objective adequate to achieve the expected outcomes and outputs?	Same comment as 28 above	
Project Monitoring and Evaluation	31. Has the Tracking Tool been included with information for all relevant indicators, as applicable?	Not Included	
	32. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	33. Has the Agency responded adequately to comments from:		
	• STAP?	None Received	
	• Convention Secretariat?	None Received	
	• Council comments?		
	• Other GEF Agencies?	None Received	

Secretariat Recommendation			
Recommendation at PIF Stage	34. Is PIF clearance/approval being recommended?	<p>There needs to be an explanation of the costs to be covered before the PIF could be recommended. There is also the need to increase the co-financing and clarify the linkage and coordination with the UNIDO project in the ESEA region.</p> <p>15 February 2011 WB responded adequately to the comments raised in this review. PM recommends CEO clearance of the PIF.</p>	
	35. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	36. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	37. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	February 06, 2011	
	Additional review (as necessary)	February 15, 2011	
	Additional review (as necessary)		

* 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.

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	
	2. Is itemized budget justified?	
Secretariat Recommendation	3. Is PPG approval being recommended?	
	4. Other comments	
Review Date (s)	First review*	
	Additional review (as necessary)	

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