



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

GEF ID:	4854		
Country/Region:	China		
Project Title:	POPs and Chemical Pollution Solutions through Area-based-Ecoeffective-Management		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	POPs
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CHEM-1; CHEM-1; CHEM-1; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$6,000,000
Co-financing:	\$24,000,000	Total Project Cost:	\$30,000,000
PIF Approval:		Council Approval/Expected:	March 03, 2014
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Anil Sookdeo	Agency Contact Person:	Mr. Zhengyou Peng

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. Has the operational focal point endorsed the project?	Yes	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	Unclear at this time. UNIDO has demonstrated technical competency in industrial settings, however switch over to bridging the industrial - ecosystem divide is untried in UNIDO as far as our information suggests. UNIDO has no implementation experience in Biodiversity related projects and this project would require that expertise particularly if eco-sensitive receiving environments are involved.	

*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 11-22-2010

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		April 1, 2013 - Comments addressed.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	No	
	5. Does the project fit into the Agency's program and staff capacity in the country?	Unclear. Please elaborate on the resources that are available in China to assist with this project. April 1, 2013 - Comments addressed	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?	N/A	
	• the focal area allocation?	23rd of October (cseverin): No, the IW focal area can not support the suggested activities, as they fall outside the GEF5 IW strategies. April 1, 2013 - IW components removed - Comments addressed	
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or Technology Transfer)?		
	• Nagoya Protocol Investment Fund		
	• focal area set-aside?		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	Partially. The reduction of UPOPS through the implementation of BAT/BEP is consistent with the GEF 5 strategy, however the project is not consistent with Chem -3. Chem 3 clearly identifies areas of work under the broader umbrella of Sound	

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		<p>Management of Chemicals and Mercury where the GEF will focus investments. This project is not technically consistent with the Chem 3 objective and the funding being requested for this objective is well over what can be invested in a single project.</p> <p>23rd of October 2012 (cseverin): No, the proposed project activities are not eligible for funding under the IW focal area.</p> <p>April 1, 2013 - Comments addressed</p>	
	8. Are the relevant GEF 5 focal/multifocal areas/LDCF/SCCF/NPIF objectives identified?	<p>No</p> <p>April 1, 2013 - Comments addressed</p>	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	<p>No, this type of project has not been identified in China's NIP.</p> <p>23/10/12 AS - The Government has expressed this as a priority in their development plans.</p>	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	<p>Unclear</p> <p>April 1, 2013 - Comments addressed</p>	
	11. 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?	<p>No. The baseline project description is unclear and it is not possible to identify what efforts are being done to address the problem being addressed by this project.</p> <p>April 1, 2013 - After significant consultations with the Government and the agency the baseline projects have been properly defined.</p>	

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Project Design	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	<p>The Baseline Project is not properly defined and as such the incremental activities cannot be elucidated at this time. The obvious linkages with Natural Resources are also not defined or accounted for.</p> <p>April 1, 2013 - Comment addressed</p>	
	14. Is the project framework sound and sufficiently clear?	<p>No. Most if not all of Component one seeks to develop policy etc that has a majority of benefit to the national economy and competitiveness of national industry. This component will lead to little or no Global Benefits.</p> <p>There are two projects approved in GEF 5 in China that look at the waste sector and pulp and paper sector. BAT/BEP will be introduced into these sectors and replicated so that new projects which seek to address these sectors cannot be considered again.</p> <p>Component 2 outputs will be achieved through projects that seek to remediate and manage POPs waste and contaminated sites.</p> <p>Overall the project framework does not show how clear reductions in POPS and chemicals will be achieved nor does it</p>	

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		<p>show how or examine the linkages to the receiving environments which will have the most benefits from cleaner production.</p> <p>April 1, 2013 - Comments addressed</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>No</p> <p>April 1, 2013 - Comments addressed</p>	
	<p>16. 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?</p>	<p>No</p> <p>April 1, 2013 - Comments addressed</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>No</p> <p>April 1, 2013 - Comments addressed</p>	
	<p>18. 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)</p>	<p>No</p> <p>April 1, 2013 - Comments addressed</p>	
	<p>19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>No</p> <p>April 1, 2013 - Comments addressed.</p>	
	<p>20. Is the project implementation/ execution arrangement adequate?</p>	<p>No</p> <p>April 1, 2013 - Comments addressed</p>	
	<p>21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		

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	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	Yes	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	No April 1, 2013 - Comments addressed	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	The majority is in kind from industry. This is not acceptable. April 1, 2013 - The cofinancing remains in-kind but it has been explained that this will be investments handled by the industries. Comment cleared.	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	No April 1, 2013 - Comment addressed.	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?	None Received	
	• Convention Secretariat?	None Received	
	• Other GEF Agencies?	None Received	
Secretariat Recommendation			
Recommendation at	30. Is PIF clearance/approval being recommended?	Not at this time. A large number of questions need to be answered and the	

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PIF Stage		<p>design of the project needs to be clarified before a decision can be made.</p> <ol style="list-style-type: none"> 1. The project while written as a Chemicals project has clear linkages with the Biodiversity Focal area. UNIDO has no demonstrated capability in addressing BD work so that they do not have the comparative advantage nor technical capacity to deliver a project that encompasses both Chemicals and Biodiversity issues. This needs to be addressed in the project design and choice of co-implementing agency. 2. The Focal Area Strategy for Chemicals, which responds to selected SAICM objectives cannot be applied in the context of this project so the project framework needs to be modified to be consistent with the Chem 3 strategy. 3. The Project Framework does not show or identify how reductions in POPS and chemicals will be received. It does not have any baseline projects being conducted or planned on which to base a GEF project and there are no linkages to Biodiversity. 4. The implementation of cleaner production will have an impact on reducing emissions of UPOPS from industries from which they are emitted however there are already two projects approved in GEF 5 for China which 	

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		<p>addresses two of the major emitting sectors identified in the NIP of China so that these industries will be taken care of.</p> <p>5. The global benefit from this project is not clear. It is clear that there will be significantly more benefit to the local/national level so that the project does not meet the Global Environment Benefits required in a project to be funded from the GEF.</p> <p>23rd of October 2012 (cseverin): The proposed activities would not be eligible for IW funding as they are outside the GEF 5 IW strategy.</p> <p>23/10/12 AS - In light of the project objectives being outside of what is eligible under the IW focal area the project should be re-constructed to access funding from POPS only. The Government should identify suitable means of addressing the issues related to water through non-GEF resources.</p> <p>April 1, 2013 - The project is technically clear and can be included in an upcoming workprogram.</p>	
	31. Items to consider at CEO endorsement/approval.	Detailed plans from the industries on the type of investments they will make to improve the management of chemicals and waste from their industries.	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of		

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	commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	March 30, 2012	
	Additional review (as necessary)	October 23, 2012	
	Additional review (as necessary)	April 01, 2013	
	Additional review (as necessary)		
	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. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	Yes
	2. Is itemized budget justified?	Yes
Secretariat Recommendation	3. Is PPG approval being recommended?	Yes
	4. Other comments	
Review Date (s)	First review*	April 01, 2013
	Additional review (as necessary)	

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