



REQUEST FOR MSP APPROVAL (1-STEP PROCEDURE) TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	China's Compliance with the Stockholm Convention		
Country(ies):	People's Republic of China	GEF Project ID: ¹	5624
GEF Agency(ies):	UNIDO (select) (select)	GEF Agency Project ID:	130176
Other Executing Partner(s):	Foreign Economic Cooperation Office of Ministry of Environment Protection	Submission Date: Resubmission date:	10/24/2013 11/01/2013
GEF Focal Area (s):	Persistent Organic Pollutants	Project Duration (Months)	36 months
Name of parent program (if applicable):		Project Agency Fee (\$):	190,000

A. FOCAL AREA STRATEGY FRAMEWORK²:

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Co-financing (\$)
(select) CHEM-1	Outcome 1.1 Production and use of controlled POPs chemicals phased out.	Output 1.1.2 Countries receiving GEF support to pilot "new POPs" reduction activities.	GEFTF	460,000	1,060,000
(select) CHEM-4	Outcome 4.1: NIPs prepared or updated or national implications of new POPs assessed.	Output 4.1.2 Countries receiving GEF support for NIP update.	GEFTF	1,540,000	2,940,000
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
Total Project Cost				2,000,000	4,000,000

B. PROJECT FRAMEWORK

Project Objectives: To review and update the National Implementation Plan (NIP), have it endorsed and submitted by the government to the Conference of the Parties to the Stockholm Convention (COP); and to build China's national capacity for new POPs management.						
Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
1. Coordination mechanism, regulatory framework and national capacity assessment and awareness raising for new POPs	TA	1. Coordination mechanism in place with national regulatory framework and capacities assessed and stakeholder aware of new POPs	1.1. Effective project coordination mechanism involving relevant stakeholders on new POPs re-established and working groups formed and contracted (to be covered by co-	GEFTF	280,000	560,000

¹ Project ID number will be assigned by GEFSEC.

² Refer to the reference attached on the [Focal Area Results Framework and LDCF/SCCF Framework](#) when filling up the table in item A.

			<p>financing and PMC);</p> <p>1.2. Awareness raising and SC new POPs compliance training about new POPs risks and policy implications among targeted groups and stakeholders, including gender issues, at national and provincial level done;</p> <p>1.3. Inception workshop held (to be covered by co-financing);</p> <p>1.4. Gap analysis conducted to assess national regulatory and policy framework and institutional capacities and monitoring needs to manage new POPs;</p> <p>1.5. Policy recommendations for national new POPs chemical management developed.</p>			
2. National inventories of new POPs and identification of new POPs alternatives and technologies	TA	2. Validation of inventories of new POPs (and updating of initial 12 POPs) by relevant stakeholders and identification of new POPs alternatives and technologies	<p>2.1. Inventories of initial 12 POPs updated and validated by stakeholders;</p> <p>2.2. National inventories, including national training workshop, of new POPs conducted and validated by stakeholders;</p> <p>2.3. New POPs alternatives and BAT/BEP, technologies for new POPs waste management</p>	GEFTF	1,000,000	2,050,000

			<p>(including transportation, recycling and final disposal) using COMFAR (Computer Model for Feasibility Analysis and Reporting) identified;</p> <p>2.4. Socio-economic impact assessment, including gender, for all POPs management completed.</p>			
3. POPs priority setting and capacity strengthening for new POPs management in pilot provinces	TA	3. Priority setting and capacity strengthening for new POPs management based on identification of alternative investment solutions in pilot provinces	<p>3.1. Detailed new POPs inventory for selected pilot provinces conducted;</p> <p>3.2. Prioritization of new and old POPs risk reduction options and future POPs intervention (based on inventory results, alternative solutions, COMFAR and priority setting workshop) completed;</p> <p>3.3. Feasibility study on the application of identified alternative technologies and BAT/BEP in priority sectors done;</p> <p>3.4. Analysis of potential private and public financing options for new POPs phaseout in key sectors done and mobilized.</p>	GEFTF	400,000	1,000,000
4. NIP formulation, endorsement and submission	TA	4. Government endorsement and submission of updated NIP to the SC Conference of Parties	<p>4.1. Draft NIP, including action plans, through national consultation workshop consolidated;</p> <p>4.2 NIP nationally endorsed and submitted to the</p>	GEFTF	70,000	100,000

			Conference of Parties to the SC; 4.3 Findings to national and regional stakeholders disseminated; 4.4. Government support and private sector investment for SC implementation of key sectors mobilized.			
5. Monitoring and Evaluation	TA	5. Periodic monitoring and terminal evaluation of project implementation	5.1. Periodic monitoring reports; 5.2. Terminal evaluation report.	GEFTF	110,000	90,000
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					1,860,000	3,800,000
Project Management Cost ³				GEFTF	140,000	200,000
Total Project Cost					2,000,000	4,000,000

C. 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 China	In-kind	3,310,000
National Government	Government of China	Cash	500,000
GEF Agency	UNIDO	In-kind	99,360
GEF Agency	UNIDO	Cash	90,640
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Cofinancing			4,000,000

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

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

³ PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

(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.

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	70,000	190,000	260,000
National/Local Consultants	460,000	1,000,000	1,460,000

F. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

PART II: PROJECT JUSTIFICATION

A. PROJECT OVERVIEW

A.1. Project Description. Briefly describe the project, including ; 1) the global environmental problems, root causes and barriers that need to be addressed; 2) the baseline scenario and any associated baseline projects, 3) the proposed alternative scenario, with a brief description of expected outcomes and components of the project, 4) incremental cost reasoning and expected contributions from the baseline , the GEFTF, LDCF/SCCF and co-financing; 5) global environmental benefits (GEFTF, NPIF) and adaptation benefits (LDCF/SCCF); 6) innovativeness, sustainability and potential for scaling up.

I) Global environmental problems, root causes and barriers that need to be addressed:

1. The Stockholm Convention (SC) on Persistent Organic Pollutants (POPs) was adopted in May 2001 with the objective of protecting human health and the environment from toxic and hazardous POPs. It entered into force on 17 May 2004 initially listing twelve chemicals as POPs. At its 4th meeting of the Conference of the Parties (COP) in May 2009, the SC was amended to include the following nine new POPs in Annex A (Alpha hexachlorocyclohexane, Beta hexachlorocyclohexane, Chlordane, Hexabromobiphenyl, Hexabromodiphenyl ether and heptabromodiphenyl ether, Lindane, Pentachlorobenzene (also listed in Annex C), Tetrabromodiphenyl ether and pentabromodiphenyl ether) and Annex B (Perfluorooctane sulfonic acid (PFOS), its salts and perfluorooctane sulfonyl fluoride). The amendments entered into force for most of the SC Parties on 26 August 2010. The SC was further amended at COP5 (April 2011) to include technical endosulfan and its related isomers in Annex A, with specific exemptions. From April 28 to May 10 2013, COP6 was held in Geneva, hexabromocyclododecane (HBCD) was listed in Annex A of the SC with specific exemptions. For the majority of the Parties the new POPs will be automatically subject to global controls, China is one of the "opt-in" countries which need therefore to ratify the amendments. In August 2013, China has ratified the two amendments for the nine new POPs listed in 2009 and for endosulfan listed in 2010. Thus, these 10 new POPs will be considered under this National Implementation Plan (NIP) review and update. Because each NIP has to be a "living document" with a mechanism to include further listed POPs, a roadmap to potentially include HBCD into the NIP will be discussed during the project.

2. According to Article 7 of the SC, Parties are required to develop a NIP to demonstrate how the country will implement the obligations under the SC. The Party should transmit the NIP to the COP within two years of the date on which the SC entered into force for the country. China signed the SC on POPs on May 23, 2001 and ratified it on June 23, 2004. Hence, the Convention entered into force for the People's Republic of China on November 11, 2004. With the funding from the Global Environmental Facility (GEF) and the technical assistance from the United Nations Industrial Development Organization (UNIDO), the original NIP of China was developed and transmitted to the COP on April 17, 2007. Following the amendments to list nine additional POPs to the Convention, parties to the SC have been requested to review and update their NIPs, as specified by COP decision SC-1/12 during COP-1, SC-4/10 to SC 4/18 at COP4 (4 to 8 May, 2009).

3. In accordance with the provisions of article 25, paragraph 4 of the SC, with respect to the People's Republic of China, any amendment to Annex A, B or C shall enter into force only upon the deposit of its instrument of ratification, acceptance, approval or accession with respect. To fulfill its international obligations, Chinese government has reviewed the Amendment of the SC adopted at COP4 and COP5 and presented the amendments for approval at the Standing Committee of National People's Congress. China has ratified the two amendments to the SC on POPs listing the nine new chemicals from 2009 and endosulfan from 2011. The ratification process of Chinese government for the amendment regarding HBCD is also subject to approval of the amendment by the parties, which is still on-going for China. Thus, HBCD will only be indirectly addressed by this NIP update. Stakeholders on the EPS/building sector will be invited to the workshops to inform about the listing of this chemical under the SC and its future consideration for China.

4. China requested UNIDO to prepare a MSP to assist the country to review its initial NIP and update its NIP to include the newly added POPs. As China is one of the largest developing countries in size and an emerging economy, an MSP project is necessary to be able to fulfill the obligations under the SC. The requested amount is less than for the original NIP development. The approval of this project is expected

to provide the necessary technical support to and facilitate the approval process of the Amendments. The instrument of ratification will include 9 new POPs plus endosulfan, therefore endosulfan will be included in the project. Inventories for HBCD will also be included in this project to achieve cost-effectiveness of GEF funding. The following legal clause should be applied for the project: *"The Government of the People's Republic of China agrees to apply to the present project, mutatis mutandis, the provisions of the Standard Basic Assistance Agreement between the United Nations Development Programme and the Government, signed on 29 June 1979 and entered into force on 24 June 1985."*

5. The implementation of this project will address the country's need for an updated POPs profile and revising priority action plans for old POPs. It will also build China's basic technical capacity for conducting inventories for new POPs, with an eye for broader integration of Stockholm Convention obligations into China's national policies and planning on chemicals management. This project will also create an enabling environment for priority private sector investment on alternatives/alternative technologies. At the government level, it is expected that the project outcomes will provide technical support for China's 13th Five-Year Plan for Environment Protection in relevance to POPs management. At the private sector level, the project intends to make available informations on environmentally sound and economically feasible alternatives/alternative technologies and build a platform for public and private financing for priority sectors.

II) Baseline scenario and any associated baseline projects:

6. From 2008 on, Chinese government has supported a series of studies on new POPs in support of the country's chemicals management. These studies conducted by the academia and industry associations served to: 1) evaluate the risk profile of PBDEs and endosulfan against Annex D and E of the Convention; 2) study the effect of acute and chronic exposure of PFOS to human health; 3) investigate the main use of PFOS; and 4) provide preliminary understanding of new POPs production and use in China through surveys. These preliminary surveys found that among all new POPs, PFOS/PFOSE, endosulfan, and HBCD have comparatively significant production and application in China.

7. In the case of PFOS, before 2003, 3M was the world's largest producer of perfluorooctanesulfonyl fluoride (PFOSF), the raw material used to manufacture PFOS-based chemicals, with a total historical production of about 37,809 tons. China started large scale production of PFOSF/PFOSE in 2003 without a thorough understanding of the environmental risks after major companies including the main producer 3M stopped its production. Before 2004 the total PFOS production was less than 50 tons per year. Since 2005 China's annual output has grown rapidly due to increasing demand from both domestic and international markets. Through initial survey, it is found that 66 PFOS related chemicals have been registered into the "Inventory of Existing Chemical Substances in China". However, the specific production amount and areas of application are unclear. China is the only country documented to still be producing PFOS, yet there is no PFOS emission inventory available.

8. China has recently introduced EU Directive on PFOS as a regulatory framework to reduce PFOS production and application in China. Some export-oriented industries followed the government requirement. However, most of industries still focus on economic benefits. The awareness toward new POPs among small and medium-sized producers needs urgent improvement.

9. In terms of application, it is known that many of the PFOS applications identified by POPRC exist in China, including pesticide production, firefighting foam, semiconductors, metal plating, and other unknown areas of application due to lack of information and knowledge. The fact that it is used in a wide variety of consumer products and industrial processes makes a detailed characterization of its emissions sources very challenging. Financial and technical assistance from international organizations is needed in this regard.

10. At the industry level, environmental and social safeguard measures are non-existent, and there are no technical standards for labeling POPs-containing products. This situation is compounded by a lack of scientific data on the environmental and health impact of PFOS/PFOSE in China. Public awareness on PFOS/PFOSE is very low. China still lacks the technical capacity, labeling, inspection, and supervision systems to manage PFOS related risk.

11. Phaseout of PFOS involves billion dollar worth of industries and countless job opportunities, yet there are uncertainties and confusions in the industry on alternative technologies. For instance, POPRC reports are lacking information on whether the alternative technologies are available, practical and accessible for developing countries. The environmental friendliness, technical feasibility, safety and cost-effectiveness of alternatives are largely unknown.

12. As to Lindane, it is also known as gamma-HCH because it is made up of at least 99% of the gamma-isomer of hexachlorocyclohexane (HCH). 'Technical HCH' can include varying proportions of alpha, beta, delta and epsilon HCH isomers. China banned the use of technical HCH in 1983. Since 1991 lindane has been used. The total production was around 4 million tons for technical HCH from 1952 to 1984, and 11,400 tons for lindane between 1991 and 2000. It is considered that all the produced technical HCH was used and estimated that only 3,200 tons of lindane were used between 1991 and 2000. The rest were partially exported and mostly stockpiled. Yet no information exists on the stockpile sites and lindane contaminated sites.

13. Endosulfan has been used in China as a pesticide since 1994. However, there has not been any application inventory available on any scales (national or provincial). It is critical to create national endosulfan application/emission inventories for China.

14. According to a recent UNEP report, "HBCD is produced in China, Europe, Japan and the USA". The known annual production is estimated to be 28,000 tons. China is said to produce 9,000 to 10,000 tons annually, accounting for nearly 30% of world production. An incomplete survey shows that producers/traders of HBCD and relevant chemicals can be found in many eastern coast of China.

15. HBCD is mainly used in the following sectors: Extended polystyrene foam/Extruded polystyrene foam (EPS/XPS) for insulation, High Impact Polystyrene (HIPS) for electronics, unsaturated polyesters and latex binders, textile and upholders, and PVC for cable sheathing. In China, HBCD is mainly used in EPS and EPS for insulation of building facades. As mentioned above, the amendments for HBCD have not been approved by the Chinese council yet, however, its potential inclusion will be discussed with stakeholders involved during this project to ensure efficient use of GEF grant and country co-financing.

16. Chinese government has allocated annual budget for the implementation of its NIP under the SC. In general, the annual budget supports activities on 1.) following up COP negotiation and relevant studies; 2) coordination among different ministrations against the objectives of NIP; 3) daily operation of Convention Implementation Office; 4) Demonstration of POPs control and phaseout activities by sectors, regions and strategic priorities; and 5) Support the update of China's NIP as co-financing. This budget is expected to support this NIP update project during the whole project duration.

17. This NIP review and update project can build on existing POPs experiences in the country. Currently, China has a record of 14 GEF approved projects. For example, the project will build on previous capacity building activities such as the UNIDO-GEF projects *"Strengthening institutions, regulations and enforcement capacities for effective and efficient implementation of the National Implementation Plan (NIP) in China"* or the development of the original NIP with support of the UNIDO-GEF project *"Building the capacity of the People's Republic of China to Implement the Stockholm Convention on POPs and Develop a National Implementation Plan"*. For the update of the original POPs inventory data and information, the following project, wherever possible, will be used as input: for original POPs pesticides among others the UNIDO-GEF FSP *"Environmentally Sound Management and Disposal of Obsolete POPs Pesticides and Other POPs Wastes"*, the UNDP-GEF FSP *"Improvement of DDT-based production of Dicofol and introduction of alternative technologies including IPM for leaf mites control in China"*, and the IBRD-GEF FSP *"Demonstration of Alternatives to Chlordane and Mirex in Termite Control"*. For the update of the inventory, action plans and strategies, the IBRD-GEF FSP *"PCB Management and Disposal Demonstration"*, the IBRD-GEF project *"Demonstration of Alternatives to Chlordane and Mirex in Termite Control"*, the UNIDO-GEF FSP *"Environmentally Sustainable Management of Medical Waste in China"* and the UNDP-GEF FSP *"Reduction of POPs and PTS Release by Environmentally Sound Management throughout the Life Cycle of Electrical and Electronic Equipment and Associated Wastes in China"* will provide a basis for a strategic design of the NIP inventory and action plans. Experiences gained from these projects, including stakeholder consultations will also be beneficial for the NIP review and update.

18. Building further on these activities and existing national coordinating mechanism, the GEF assistance for this EA shall equip the ministry to fulfill its specific obligations under the SC to review, update and submit the NIP to the COP. In addition, it is envisaged that economic sustainability and a sustainable administration of the project will be achieved through strengthening of the institutional new POPs management structure, making of necessary policies and raising public awareness. High-level political involvement will be ensured through the National Project Director (NPD) communicating and consulting with relevant authorities and stakeholders on SC and particular NIP update project matters. This will also be beneficial for a timely national endorsement of the NIP and its submission to the Stockholm Convention Secretariat (SCS). Periodic project monitoring as described in the Monitoring and Evaluation Plan will help identify project implementation gaps and provide time for project adjustments. Social sustainability will be ensured by strengthening public participation strategies and ensuring equitable access to project outcomes to the general public (e.g. POPs website). In particular the local community, women's and children's groups will be consulted in the inventory process to ensure that relevant POPs information, problems and actions can be gathered and future mitigation strategies can be developed. At the same time, relevant public will be informed about POPs-related human health and environmental risks and the benefits from reducing and/or eliminating the production (if), use, storage, transport and disposal of POPs in an unsustainable and non-environmentally friendly manner. The design of prioritized post-NIP projects with assigned national responsibilities and timelines will be part of the reviewed and updated NIP and will provide the basis for the national implementation of the SC.

19. The GEF's promotion of enhanced global synergies is envisaged within the context of the proposed outcomes for the NIP update project. While efforts will be placed to address the specific country needs, the global coherence of activities will be considered. UNIDO will disseminate lessons learned from various NIP update projects, especially practical experiences gained from conducting new POPs inventories, and recommendations on inventory procedures. A global NIP update workshop organized by the Stockholm Convention Secretariat in August 2013 with attendance from the Chinese counterpart has been held in Beijing. This provided a great first understanding of the NIP review and update process.

III) Proposed alternative scenario, with the brief description of expected outcomes and components of the project

20. Without the technical and financial assistance from the GEF and UNIDO, Chinese government will lack the technical tools and capacity to develop comprehensive inventory for new POPs and the issue of new POPs will remain to be marginalized on the government's chemicals management agenda. Private sector will lack access to available and feasible alternative options for new POPs.

21. With the support of the GEF, the gaps required to update the NIP, including strengthening of coordination mechanism, raising public awareness, development of new POPs inventories, updating action plan on old POPs, drafting of action plans and support of endorsement and submission of the NIP through official channels, will be filled. Where necessary, this proposed project will also endeavor to integrate NIP in China's chemicals management national policies and plans, explore areas for collaboration with the private sector in reducing new POPs emission in industrial sectors and substituting POPs.

22. With support of the GEF, information about environmentally sound and economically feasible alternatives/alternative technologies and assessing opportunities for public and private investment opportunities in selected priority areas will be carried out. UNIDO will support with using the tool COMFAR. COMFAR is UNIDO's Computer Model for Feasibility Analysis and Reporting tool to be used as pre-investment tool to facilitate short and long term analysis of financial and economic consequences for industrial projects. COMFAR also enables to carry out financial analysis of investment projects. This will provide the basis for a good planning of new POPs post-NIP projects using alternative technologies and BAT/BEP. In addition, risk management techniques and better environmental and social safety measures will be discussed and agreed upon to build the road to reduce new POPs emissions in pilot sectors.

23. The outcomes and outputs of this MSP will be:

Outcome 1. Coordination mechanism in place with national regulatory framework and capacities

assessed and stakeholder aware of new POPs

The outputs of outcome 1 will be:

- 1.1. Effective project coordination mechanism involving relevant stakeholders on new POPs re-established and working groups formed and contracted (to be covered by co-financing and PMC);
- 1.2 Awareness raising and SC new POPs compliance training about new POPs risks and policy implications among targeted groups and stakeholders, including gender issues, at national and provincial level done;
- 1.3 Inception workshop is held to mobilize government support and delegate responsibilities (to be covered by co-financing);
- 1.4. Gap analysis conducted to assess national regulatory and policy framework and institutional capacities and monitoring needs to manage new POPs;
- 1.5. Policy recommendations for national new POPs chemical management developed.

Outcome 2: Validation of inventories of new POPs (and updating of initial 12 POPs) by relevant stakeholders and identification of new POPs alternatives and technologies

The outputs of outcome 2 will be:

- 2.1 Inventories of initial 12 POPs updated and validated by stakeholders;
- 2.2 National inventories of new POPs conducted including training workshop, conducted and validated by stakeholders;
- 2.3. New POPs alternatives and BAT/BEP technologies for new POPs waste management (including transportation, recycling and final disposal) using COMFAR identified;
- 2.4. Socio-economic impact assessment, including gender, for all POPs management completed;

Outcome 3: Priority setting and capacity strengthening for new POPs management based on identification of alternative investment solutions in pilot provinces

The outputs of outcome 3 will be:

- 3.1. Detailed new POPs inventory for selected pilot provinces conducted;
- 3.2. Prioritization of new and old POPs risk reduction options and future POPs intervention (based on inventory results, alternative solutions, COMFAR and priority setting workshop) completed;
- 3.3. Feasibility study on the application of identified alternative technologies and BAT/BEP in priority sectors done;
- 3.4. Analysis of potential private and public financing options for new POPs phaseout in key sectors done and mobilized.

Outcome 4: Government endorsement and submission of updated NIP to the SC Conference of Parties

The detailed outputs of outcome 4 will be:

- 4.1. Draft NIP, including action plans, through national consultation workshop consolidated;
- 4.2 NIP nationally endorsed and submitted to the Conference of Parties to the SC;
- 4.3 Findings to national and regional stakeholders disseminated;
- 4.4. Government support and private sector investment for SC implementation of key sectors mobilized.

Outcome 5: Monitoring and Evaluation

The detailed outputs of outcome 5 will be:

- 5.1. Periodic monitoring reports;
- 5.2. Terminal evaluation report

IV) Incremental cost reasoning and expected contributions from the baseline, the GEFTF, LDCF/SCCF and co-financing:

24. The project has the main objective to review and update China's NIP, and have it endorsed and submitted by the government to COP. This NIP review and update project provides a foundation for China to strengthen its national capacity by updating the framework on POPs management and assist the country's effort in formulating a comprehensive chemicals management system. Moreover, this project

also aims to identify feasible alternatives/alternative technologies for new POPs produced and used in China. Therefore key stakeholders from private sector is envisaged to be involved in this process.

25. This project will build on China's experience in conducting inventories and drafting action plans for elimination of pesticides, PCBs, DDT, and unintentionally produced POPs gained during the development of the original NIP. For new POPs management, new approaches, specific knowledge and expertise are required especially for industrial POPs chemicals such as PBDEs, PFOS (and HBCD), due to their wide existence in industrial processes, products, recycling streams and the China's global trade interactions. For these chemicals, new inventory analyses in terms of supply chain, material flow and stakeholder analysis are required to meet the challenges of mitigating/ eliminating the hazards and risks associated with the new POPs consumer products and on the market.

26. GEF investment is needed to provide technical assistance through international and national experts who are experienced in the management of new POPs and are capable of collecting new POPs data. Technical expertise is required to demonstrate better new POPs management and identification of alternative technologies using environmentally sound management approached at selected pilot sites, with the main goal being to provide a basis for the reduction and phase out of new POPs at the provincial and national level.

V) Global environmental benefits (GEFTF, NPIF) and adaptation benefits (LDCE/SCCF):

27. The implementation of this NIP update project will not only benefit China's overall management of new POPs, it will also provide initial support to industrial sectors, mobilize technical and financial resources, and pave the way for large scale demonstration and later scaling up at national level. This will significantly contribute to the global efforts to reduce new POPs production, application and eventually emission into the environment. The revised and updated NIP will be the starting point for the environmentally sound management and reduction of POPs amount in the environment in the long run.

28. In specific, this project will for the first time create an enabling environment for reduction, production and phaseout of new POPs in priority sectors in China, by providing information on environmentally sound and economically feasible alternatives/alternative technologies and assessing opportunities for public and private investment. Key sectors/provinces of production and application of new POPs with exemption will be selected for targeted technical capacity building, pilot studies on financing opportunities, and application of alternatives/alternative technologies. Through the introduction of better risk management techniques and environmental and social safety measures, new POPs emissions from pilot sectors will be reduced. Due to missing baseline emission data from the pilot sector, it is not possible to provide an estimate of GEB at this stage. However, the development of new POPs inventory and targeted training at the pilot sectors during project implementation will make calculation of GEB possible. It will be submitted in project implementation reports (PIRs) and terminal evaluation reports (TERs).

VI) Innovativeness, sustainability and potential scaling up

29. Fulfilling the current and future obligations of the SC and achieving the most efficient use of GEF financial resources, the proposed project will adopt a proactive approach by developing inventories for all newly added POPs including endosulfan as well as updating the original twelve POPs. There are currently no detailed inventories for the nine new POPs and endosulfan. As HBCD has also been listed in 2013 and ratification of its amendments by China is still pending, it will only be considered indirectly through information dissemination (e.g. workshop invitations), stakeholder consultations and establishment of a mechanism to include newly POPs into future NIP review and updates and inclusion into the national POPs management. Potential scaling up for HBCD for example will be the inclusion of the building industry. HBCD was mainly used in the EPS/XPS sector for insulation in the building industries (such as foam for building insulation), and its replacement will have implications on various existing standards. Stakeholders from the building industry and standards will be included. Coordinator with the UNIDO Montreal Protocol Branch, which is an implementing agency for EPS/XPS, is also foreseen.

30. The NIP review and update will provide a living document as basis for the future SC

implementation in China. Special attention will be drawn to gathering a up-to-date national inventories of the new POPs. This inventory will be the basis for priority setting and action plan development for the foreseen SC implementation in China. Stakeholders participating in this NIP review and update as well as the PCU team will be able to manage the POPs technically and will use the updated NIP as a basis for environmentally sound management of POPs in China.

31. In line with the GEF's focal area strategy, the project, based on what has been achieved in China's post-NIP project, will strengthen the technical capacity, knowledge and expertise to managed new POPs in an environmentally sound manner at both public and private sectors.

32. This project is innovative as it provides an opportunity to identify key private sector's interest in upgrading their technical capacities, including the economical and environmental assessment of alternatives/alternative technologies mainly using COMFAR to prepare for new POPs phaseout, and provide them with necessary technical assistance when needed. The implementation of this NIP update project will not only benefit China's overall management of new POPs, it will also lend support to industrial sectors, mobilize their technical and financial resource, and accelerate the preparation of demonstration projects and eventually potenial scaling up at national level. The NIP will be the basis for a strategic, efficient, practical and national tailored roadmap, including future proposals and action plans, to ensure the continous implementation of the SC in China. Achieving governmental support and private sector commitment for the action plans will be benefial for scaling-up the post-NIP activities.

33. Project sustainability will be based on stengthening of the institutional POPs management structure, making necessary policies changes and raising public awareness. High-level political involvement will be ensured through a dedicated project team which will involve and consult stakeholders and relevant authorities on all relevant project matters, including participation in workshops, training, inventory activities, identification of alternatives/alternative technologies, priorities and action plans. The national director will support the communication and consultation of POPs issues and especially about this NIP review and update project with relevant stakeholders and public authorities throughout the project cycle. The project will ensure that the updated NIP will be a *"living"* document, practical including post-NIP project proposal and action plans, tailored to the country needs and governmental and private sector commitment for the endorsement of the NIP and follow-up SC implementation in China.

34. Social sustainability will be ensured by strengthening public participation and ensuring access to project outcomes to the general public (e.g. POPs website). In particular, local communities and women groups will be consulted on project activities to ensure that risks and problems associated with POPs will be properly addressed and mitigation strategies can be formulated. Women's groups and CSO will also be included in consultation for the selection of future POPs priorities and action plans to ensure their concerns and special vulnerability is included in the reviewed and updated NIP.

A.2. Stakeholders. Identify key stakeholders (including civil society organizations, indigenous people, gender groups, and others as relevant) and describe how they will be engaged in project and/or its preparation:

35. The Foreign Economic Cooperation Office (FECO) of the Ministry of Environment Protection was appointed as the National Executing Agency for projects regarding the reduction or elimination of production, usage and releases of POPs. FECO will also serve as the NEA for the proposed NIP update project.

36. The State Council of China approved establishment of the National Coordination Group for Implementation of the Stockholm Convention (NCG) in 2005. The NCG consists of 14 ministries: Ministry of Environment Protection as the leading agency, Ministry of Foreign Affairs, National Development and Reform Commission (NDRC), Ministry of Science and Technology (MoST), Ministry of Industry and Information Technology(MIIT), Ministry of Finance, Ministry of Housing and Construction, Ministry of Commerce, Ministry of Agriculture, Ministry of Health, General Administration of Customs, State Electricity Regulatory Commission, General Administration of Quality Supervision, Inspection, and Quarantine, State Administration of Work Safety, and the building industry.

37. FECO in close coordination with UNIDO's project manager will be responsible for mobilizing the support, cooperation and consultation of all relevant stakeholders working in the field of POPs management as required in paragraph 2 of Article 7 of the SC. The Amendments to the SC almost double the number of POPs to be addressed and might require the involvement of additional stakeholders in the inventory and action plan development process. To this end, the first step of the project is to re-evaluate and, if needed, identify new stakeholders. This activity will culminate in a stakeholders meeting, where the key partners for NIP update will be selected. Feedback suggestions and comments received from stakeholders will be reviewed, considered and answered by the project management team.

38. In particular, the implementation of the proposed NIP update project will involve key stakeholders including the relevant ministries, local provinces, industrial associations, producers, CSOs, women associations, and local communities. Special attention will be given to importers, producers, distributors and exporters of new POP and/or articles containing new POPs and their involvement in inventory activities, priority setting and action plan development. Targeted technical capacity building activities will ensure that relevant industrial sectors have access to information on alternatives/alternative technologies for new POPs and potential cost and benefit of phasing-out activities.

39. For new POPs, especially POP-PBDEs and PFOS, relevant stakeholders from e-waste recyclers, customs, waste management authorities, potential PFOS producers, fire fighters, carpets manufacturers, industries dealing with PFOS articles such as the photographic industry. Public involvement will be involved in information dissemination and consultation activities such as press media releases, workshops, newspaper articles as well as inventory activities (e.g. household surveys). The stakeholders will participate in different phases of implementation from developing action plans and national strategies to raising awareness and to enhance the country's ownership and accountability of project outcomes. Continuous stakeholder consultation, e.g. through trainings, workshops, meetings, will also be beneficial for building partnerships among the project executing agencies and all relevant stakeholders.

40. Industrial sector and agricultural sector will be engaged in the process of updating the NIP and understanding BAT/BEP for new POPs reduction. This collaboration will potentially create opportunities to integrate POPs reduction into industrial reform and upgrading. Moreover, local CSOs will be encouraged to share new POPs information with local community to mobilize local resources and promote social attitude and consumer behavioral change.

41. The SC strongly promotes the involvement of the public in the preparation and implementation of NIP related activities as a major driving force for initiating environmental health improvements. The project seeks public participation by consulting those potentially affected by the production, use and management of new POPs. Relevant community groups, agricultural groups and children groups will be involved in new POPs inventory activities and at the same time informed about human and environmental risks associated with POPs. The information will be assessed to provide a basis for human and environmental risks associated with POPs (potential action plans for detailed environmental and human health risks might be a result).

42. The communication strategy will include activities for informing the general public on planned activities and achieved results. Special information releases will be prepared and distributed to different public organizations, especially to women's groups and press media. During the initiation phase of the project, a detailed communication strategy will be discussed and agreed upon UNIDO and the project coordination unit. The UNEP guidance *"Developing a communication strategy for National Implementation Plans (NIPs) under the Stockholm Convention on POPs"* may be referred to.

43. The POPs website will be continuously updated on project activities. Feedback, suggestions and comments received by public organization will be reviewed, considered and answered by the project management team.

44. Gender dimensions are also a critical component to be considered during the NIP review and update process. Recognizing that the level of exposure to POPs chemicals and its related impacts on human health are determined by social and biological factors, women, children and men might be exposed to different kinds, levels and frequency of new POPs chemicals (e.g. in the household, agriculture, industry, school, etc.); therefore, gender mainstreaming will be an integral part of this project. The concepts of gender mainstreaming, which is a globally agreed strategy for achieving gender equality and women empowerment, defined by the United Nations

Economic and Social Council in 1997 as *"a strategy for making women's as well men's concerns and experiences an integral dimensions of policies and programmes in all political, economic and societal spheres so that women and men benefit equally and inequality is not perpetuated.."* will be the basis for practical gender activities, especially by identifying gaps in gender equality, throughout the project. Outcomes of the gender problem areas such as allocation of sufficient funds, gender equality, gender 'soft' areas such as gender health and education, or "gender-neutral" areas such as infrastructure and political commitment identified in the UN Secretary-General's Review and Appraisal of the implementation of the *Beijing Platform for Action* will provide a basis for the gender assessment during this NIP review and update. Further, the *CEN System-wide policy on gender equality and the empowerment of women*, UNIDO's internally adopted gender policies such as the *UNIDO's policy on gender equality and the empowerment of women* or the *Revised Gender mainstreaming Steering Committee composition* will be used as guidance materials.

45. In practical, especially women's groups and groups involved in the health of children will be involved (as follows) in the activities of this NIP review and update, especially for collecting new POPs data and awareness raising activities. This will be addressed by involving women and vulnerable groups at the sector level (e.g. Ministry of Health, Ministry of Agriculture, etc.), in the project coordination unit (PCU) and national steering committee (NSC), at the stakeholder level (e.g. by involving relevant women's group in the workshops, at the informational level (e.g. gathering POPs inventory data on current POPs management practices, on occupational health data, and consultation about potential and practical post-NIP interventions) and public awareness activities). The national expert on socio-economic assessment will also emphasize his/her assessment on the benefits of new POPs reduction and use on human health, especially women and children, and the environment, as well as the use of new POPs in an environmentally sound manner. These involvements and results will be summarized in the inventory reports to provide a basis for prioritization, development of action plans and drafting of post-NIP projects.

46. Women's groups will also be encouraged to provide recommendations related to the development of new POPs policies to ensure that the needs and priorities of women are ensured in future POPs management. To ensure this, women's group and relevant stakeholders will be invited to all workshops and training and special priority will be given to awareness raising activities to ensure gender mainstreaming throughout the project.

47. CSOs and indigenous people, especially Salar people who are mostly resident in Qinghai province are main target communities for assessing indigenous concerns and POPs information in China. Gathering information related to their POPs practices and use of POPs chemicals, wherever possible, are relevant to the success of the national POPs inventory as well as to define future priorities and action plans related to information exchange and environmentally sound management activities of POPs for these communities. To ensure their information is included in the NIP review and update, NGOs familiar with CSOs and indigenous people will be consulted and encouraged to contribute to project activities.

48. The national POPs website will be continuously updated on project activities. Feedback, suggestions and comments received from public organizations will be reviewed, considered and answered by the project management.

A.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/NPIF) or adaptation benefits (LDCF/SCCF):

49. The implementation of this project will benefit stakeholders at national and local level by raising awareness among officials in relevant industries, training technical capacities for conducting inventory on new POPs, and enabling the private sector to gain access to information on the availability and affordability, environment and social benefits of alternatives/alternative technologies. A socio-economic assessment will be conducted to value positive against negative effects of alternatives of the use/production of selected POPs and the use of alternative technologies against the current ones in use in terms of economy, social and environmental terms. Positive socio-economic effects of POPs on the environment and human health could be considered in terms of the cost implication for the alternatives (same or lower price) and at the same time more environmentally friendly aimed at elimination POPs use. E.g. this might be the introduction of non-chemical or biological, more environmentally friendly substitutes to industrial or pesticide POPs. The UNEP *"Guidance on socio-economic assessment for national implementation plan development and implementation under the Stockholm Convention"* will be used for the systematic appraisal of the potential social impacts of economic or other activities of POPs throughout its life cycle on

all sectors of society (including local communities and groups, civil society, private sector and government). Results of the assessment by the means of analysing and managing the intended and unintended social impacts, both positive and negative, of planned interventions (policies, programs, plans and projects) and any social change processes invoked by those interventions. UNIDO will support the identification and analysis of investment of new POPs-project for POPs alternatives and alternative technologies using COMAR, the Computer Model for Feasibility Analysis and Reporting, for the analysis and appraisal of future investment project.

50. The project will contribute to the national efforts in greening polluting industries, thus creating more social well-being and reduce environmental risks posed by POPs. The project will also benefit local communities, especially workers in new POPs production and application sectors, waste collectors and recyclers, through the introduction of best practices to better protect their occupational health.

A.4 Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks:

51.

Risk	Level	Mitigation measures
Political willingness: The ultimate long-term success of the Stockholm Convention depends on the willingness of its Parties to meet their obligations. The government may not maintain their political will towards maintaining the capacities built to ensure sustainability and scaling up the implementation of measures that are proven to be effective	L	Chinese government puts a lot of emphasis on environment protection in general. The government has shown constant commitment to reducing toxic chemicals emission. Relevant government agencies, academia, and industry associations were and will be continuously consulted on the design and implementation of this project to make sure that their priorities are fully taken into account.
Project delay: Due to the complexities of ministries involves, initial coordination and clarification of responsibilities may take longer	L	The project proposal has been reviewed by the national agency. The project duration of three years is requested to ensure initial mobilization of ministerial support and mitigate delays of the project that could have been otherwise avoided.
Lack of stakeholder participation: Many of the activities set out in this proposal require the willing participation of a broad range of stakeholders (e.g. inventories activities, awareness raising; stakeholder consultation; NIP draft review; NIP endorsement; NIP submission to COP), and the potential risk of missing stakeholder participation will impede the effectiveness of project activities.	L	The project proposal has been reviewed by the national agency who is in regular contact to relevant stakeholder, e.g. through on-going UNIDO-POPs projects. New stakeholder will be involved at the early stage of project implementation to ensure their commitment and participation.
Climate change	none	No risk associated with climate change.

A.5. Explain how cost-effectiveness is reflected in the project design:

52. The GEF, as the interim principal entity of the financial mechanism of the Convention, provides an amount no more than 250,000 for countries to update their NIPs. China has opted to pursue NIP update not through an Enabling Activities grant but through an MSP project cycle, in view of the scale of activities required in the country.

53. China is a large developing countries with the world's largest population of over 1.35 billion. The geographical span of inventory development activities will cover 22 provinces, 5 autonomous regions and 4 special municipalities and project implementation involves coordination with 14 ministries, multiple local governments and industrial sectors. China is experiencing rapid industrialisation and urbanization and thus confronted with unprecedented environmental challenges posed by chemicals pollution. International financial and technical assistance for China to develop a comprehensive national profile for POPs will play a significant role in protecting human health and the environment both within China and globally.

54. It is also worth illustrating that during the initial NIP development stage, China utilized over \$10 million to develop its NIP thanks to the support from the GEF and other bilateral and multilateral donors. After its submission to the SC Secretariat, Chinese government, with the financial support from the GEF and technical assistance from World Bank, UNDP, and UNIDO, has systematically dealt with POPs issues in relevance to disposal POPs pesticides and associated wastes, DDT use in anti-fouling paint and agriculture, chlordane and mirex as termiticide, UPOPs emission from waste incineration, and disposal of PCB and associated wastes. China views this NIP update project as another unique opportunity to systematically develop a national plan to reduction emission and phase out new POPs

55. To ensure the most efficient use of project funding, China will utilize the expertise gained in development of POPs inventory through initial NIP project and incorporate results from government-sponsored post NIP activities including in developing a national inventory for PCB and dioxin. The proposed project will seek for technical support from experienced Chinese scientists and recruit international consultants only when necessary. This will bring down overall cost for consultancy.

56. The proposed project will incorporate outputs from parallel demonstration activities and lessons learned from previous GEF/China POPs projects and other relevant projects such as: GEF/UNEP Global Report on *"Lessons Learned and Good Practices in the Development of NIPs for Stockholm Convention"*. Scientific and technical findings and expertise can be shared between components and between government departments and their development partners.

57. The budget for coordination activities such as Activity1.1 and Activity 1.3 will be supported by co-financing to adhere to GEF internal rule. China also attempts to achieve cost-effectiveness by voluntarily adding endosulfan and HBCD to this proposed project for inventory development, even though it's not bounded by COP decision. This project will also allow China to develop an overall plan for new POPs management, which will facilitate future efforts in deciding areas of project intervention.

58. Capacity strengthening and initial studies in this project will ensure a quick start-up of implementation actions ensuring early global impacts and form a secure foundation to the sustainability of POPs management in China.

A.6. Outline the coordination with other relevant GEF financed initiatives [not mentioned in A.1]:

59. The State Council of China approved establishment of the National Coordination Group for Implementation of the Stockholm Convention (NCG) on May 2005, consisting of 14 ministries including: Ministry of Environment Protection as the leading agency, Ministry of Foreign Affairs, National Development and Reform Commission (NDRC), Ministry of Science and Technology (MoST), Ministry of Industry and Information Technology(MIIT), Ministry of Finance, Ministry of Housing and Construction, Ministry of Commerce, Ministry of Agriculture, Ministry of Health, General Administration of Customs, State Electricity Regulatory Commission, General Administration of Quality Supervision, Inspection, and Quarantine, and State Administration of Work Safety.

60. Three working mechanisms (including coordinators' meeting, liaison officers' meeting and expert committee) were formed under NCG. The coordination mechanism laid a solid foundation for implementation of SC. With new POPs being added to the Convention, it is necessary to review, evaluate and improve the effectiveness of the existing coordination framework.

61. Since the commencement of Enabling Activities on NIP development, China has received technical support from UNIDO, the World Bank, and UNDP to apply for GEF fundings to fulfill its obligation to the Stockholm Convention. The proposed project will seek for coordination from ongoing POPs project in

China. This project will also incorporate findings from completed projects in terms of PCB national inventory, and UPOPs emission data in waste and industrial sectors.

62. The process of reviewing and updating the NIP will build on these national capacities and also on the steering committees already established, national inventories conducted, and lessons learned completed post-NIP projects, such as Termite Project and PCB Project. Results from the environmentally sound management (ESM) and disposal of targeted obsolete POPs pesticides and associated wastes will provide relevant data and information for reviewing and updating the inventory, objectives and action plans on pesticides in the original NIP.

63. Close cooperation with the UNIDO Montreal Protocol Branch on the use of HBCD in the EPS/XPS sector for insulation in the building industry is also foreseen.

A.7 Describe the institutional arrangement for project implementation:

64. UNIDO will act as the GEF Implementing Agency assisting the national executing agency FECO in coordinating with other IAs to take advantage of the findings and lessons learned from associated projects and programmes. UNIDO will assist FECO in the execution of the project by drafting TORs for international expert positions and disbursing funding necessary for the recruitment of international expert and for other international expenditure. UNIDO will oversee the implementation of the project through an assigned UNIDO project manager.

65. FECO administers projects towards the implementation of the Stockholm Convention in China and will continue to coordinate the NIP Update project. It will manage all national and local elements of the project, be responsible for recruitment and supervision of national expert subcontractors for inventory development, action plan development, NIP draft and finalization. It will provide services and perform the work as agreed in the sub-contract and detailed in the ToR with UNIDO, which will be prepared following the project approval. Subcontracts will be signed by an authorized official of the counterpart and UNIDO. A high-level official from FECO will work as the National Project Coordinator. A National Project Manager shall be recruited by the national executing organization under the subcontract to perform the administration of the project on the national level.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

B.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAs, NAPs, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, etc.

66. China has signed the SC on POPs on May 23, 2001 and ratified it on June 23, 2004. Hence, the Convention entered into force for China on November 11, 2004. Pursuant to the provisions of Article 7 of the SC, China developed, endorsed and transmitted its NIP to the COP on April 17th, 2007. Following the amendments to list nine additional POPs to the Convention, parties to the SC have been requested to review and update their NIPs, as specified by COP decision SC-1/12 during COP-1, SC-4/10 to SC 4/18 at COP4 (4 to 8 May, 2009). The proposed project complies with SC COP decision which requires countries to update their NIPs.

67. Chinese government is in the process of reviewing the Amendments of the SC and it is scheduled to be presented at the Standing Committee of National People's Congress for approval. The approval of this project is expected to provide technical support and facilitate the approval process.

68. In 2011, State Council issued "Guidance on Strengthening Environmental Protection in Priority Areas" and "China's 12th Five-Year Plan for Environment Protection". In pursuant to the State Council's requirement, in January 2013 MEP issued China's "12th Five Year Plan for Prevention and Control of Environmental Risks of Chemicals". The proposed project is consistent with these national policies. The project will also take into account a series of specific laws, regulations and rules that have been formulated to ensure the safe management of pesticides, hazardous chemicals, pharmaceuticals and veterinary medicine (as outlined in the original NIP, and to be updated).

69. China has also adopted a number of international treaties and agreements and is a signatory to the Convention on Safe Use of Chemicals at Work (ILO 170.177; 1990), the Montreal Protocol on Ozone Depleting Substances (1985); the Basel Convention on the Control of Trans boundary Movements of

B.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities

70. CHEM-1 assists eligible countries to carry out new POPs reduction pilot and CHEM-4 assists countries to prepare and update their NIPs and assess national implications of new POPs. This MSP will contribute to both objectives. China is eligible for seeking for GEF support to update its NIP and enhance its national capacity for new POPs phaseout activities.

B.3 The GEF Agency's program (reflected in documents such as UNDAF, CAS, etc.) and Agencies comparative advantage for implementing this project:

71. As set out in the GEF advantage matrix GEF/C.31/5 rev.1, UNIDO has been very active in implementing GEF projects under its POPs focal areas. Enabling activities (EAs) for the development of original NIP as well as review and update of the NIP for countries was and still is a major portfolio of UNIDO's work. Currently, UNIDO is implementing over 50 NIP review and update projects and has developed together with the Stockholm Convention Secretariat and UNITAR the technical guidances on conducting inventories on PFOS and POP-PBDEs. UNIDO has also been present in the three globally conducted NIP review and update workshops, organized by the Stockholm Convention Secretariat, and has internally conducted a *"Training workshop for trainers under NIP review and update project"* with FECO participation as well an informal *"NIP inventory validation workshop"* for reviewing the inventories of the first countries, being assisted by UNIDO, within the EA NIP review and update projects.

72. Moreover, UNIDO is positioned to assisting developing countries in looking for technical solutions to replace unsound chemicals in their industries, thus achieving cleaner production objectives. This project will approach private sector industries to improve their awareness of new POPs and provide them with the proper knowledge for viable alternatives/alternative technologies.

C. DESCRIBE THE BUDGETED M & E PLAN:

73. The design of M&E plan will be built into each step of the project. Annex A describes all indicators and their means of verification, along with M&E process. According to the Monitoring and Evaluation policy of the GEF and UNIDO, follow-up studies like Country Portfolio Evaluations and Thematic Evaluations can be initiated and conducted. All project partners and contractors are obliged to (i) make available studies, reports and other documentation related to the project and (ii) facilitate interviews with staff involved in the project activities. In

addition, project progress, the deliverables and project outputs will be reviewed on a regular basis by the National Steering Committee consisted of all relevant ministries as well as UNIDO.

74. Day to day monitoring of implementation progress will be the responsibility of FECO, based on the project's work plan. FECO will inform UNIDO of any delays or difficulties faced during implementation so that appropriate support or corrective measures can be adopted in a timely and remedial fashion.

75. Periodic monitoring of implementation progress using the required progress reports, workshop reports, phone, skype and e-mail will also be undertaken by UNIDO. This will allow PCU to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of the project activities. Two major technical reviews are planned. The first one will look at the preliminary inventories of POPs, and the other at the draft NIP.

76. UNIDO requires progress reports and final evaluation which will be carried out according to UNIDO's evaluation policy. The progress reports will monitor project implementation progress towards the achievement of project objectives. This report will focus on the effectiveness, efficiency and timeliness of project implementation; highlight issues requiring decisions and actions, and will present initial project implementation results, e.g. stakeholder participation list, workplans, task teams for inventory, inventory results, draft NIP review and update (including priorities and action plans).

77. The self evaluation would look at the overall performance of the project and its results, assessing project relevance, effectiveness, efficiency and sustainability of results, including the contribution to capacity development and the achievement of global environmental goals.

78. A mid-term evaluation will be performed to ensure that the project is on its way to achieve objectives, outcomes and outputs. PIRs will be prepared annually by UNIDO and reviewed and approved by FECO and other stakeholders, in accordance with UNIDO's and GEF's rules.

79. The final evaluation report will be conducted by an external evaluator, recruited by UNIDO,,should also provide recommendations for follow-up activities. Findings of this report will be incorporated as recommendations for the design of similar projects. Its results will be reported to the GEF, UNIDO and national stakeholders.

80. Budget Table for M&E Plan

Monitoring Tool	Deadline	GEF Budget (US\$)
Technical		
Review of updated action plan for old POPs and new POPs inventory	18 th project month	5,000
Peer review of updated NIP document for approval	24 th project month	5,000
Review of reports on policy and institutional gaps and recommendations	12 th project month	5,000
Peer review of report alternatives/alternative technologies to new POPs and its potential applications in China	18 th project month	5,000
Peer review of report on socio-economic and environmental assessment for the implementation of the updated NIP	18 th project month	5,000
Peer review of reports on public and private financing opportunities for new POPs	12 th project month	5,000
Self-evaluation of implementation progress and self-monitoring		
Inception workshop report as project progress report	3 th project month	Covered by project management cost
Submission of validated POPs inventories as project progress report	20 th project month	Covered by project management cost
Submission of draft NIP and endorsement workshop report to UNIDO	30 th project month	Covered by project management cost
UNIDO-PCU coordination via phone, skype, e-mail,	At least quarterly	Covered by project


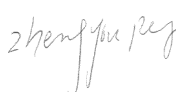
mission		management cost
Terminal Evaluation		
Mid-term evaluation	18 th project month	40,000
Final evaluation	Upon project closure	40,000
Total GEF cost		110,000

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)
Jiandi YE	GEF Operational Focal Point	MINISTRY OF FINANCE	09/25/2013

- B. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for project identification and preparation.					
Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email Address
Philippe Scholtès, Officer-in-Charge Programme Development and Technical Cooperation Division (PTC), UNIDO GEF Focal Point		11/01/2013	Mr. Zhengyou Peng 	+43 1 26026 3831	Z.Peng@unido.org

ANNEX A: PROJECT RESULTS FRAMEWORK

HIERARCHY OF OBJECTIVES	Indicators	Baseline	Target	Sources of verification	Assumptions
Project Development Objective: China's national capacity build and awareness raised for the management of new POPs, through the review and update of the National Implementation Plan (NIP)					
Outcome 1. The updated and review National Implementation Plan (NIP) endorsed by the Government and submitted to the Stockholm Convention					
Indicators: Approval date of the updated NIP by the Government; Submission date of the updated NIP to the Stockholm Convention on POPs					
Output 1.1 National inventories of new and original POPs validated by relevant stakeholders and new POPs alternatives and technologies identified	<ul style="list-style-type: none"> - Date of national inventory training workshop; - Nr. of people trained; - Date of submitted inventory reports on new and old POPs; - Date of submitted socio-economic assessment report; - Date of national validation workshop; - Nr. of POPs alternatives and technologies identified 	<ul style="list-style-type: none"> - Stakeholders have not been trained; - No reports of new and old POPs as well as socio-economic assessment is available; - New POPs alternatives and technologies have not been identified 	<ul style="list-style-type: none"> - At least 20 stakeholders trained; - Three inventory reports (pesticides; industrial, U-POPs) and one socio-economic assessment report available; - List of feasible new POPs alternatives and technologies available 	<ul style="list-style-type: none"> - Communication records of PM; - Steering Committee meeting minutes; - Project progress reports (see M&E) 	The Foreign Economic Cooperation Office of Ministry of Environment Protection will promote all the working group's activities; NIP reviewing and drafting committee will be comprised of members from various sectors; Private sector and civil society will contribute to the inventory activities.
Output 1.2 NIP formulated, endorsed by the Government and submitted to the SC Conference of Parties	<ul style="list-style-type: none"> - Date of action plans submission to the steering committee for review; - Nr. of stakeholders commented on NIP draft; 	<ul style="list-style-type: none"> - New POPs action plans and draft NIP is not available; - National 	<ul style="list-style-type: none"> - All action plans from the initial NIP updated; 2 action plans on industrial POPs added; 	<ul style="list-style-type: none"> - Communication records of PM; - Steering Committee meeting minutes; 	The Foreign Economic Cooperation Office of Ministry of Environment Protection will

HIERARCHY OF OBJECTIVES	Indicators	Baseline	Target	Sources of verification	Assumptions
	<ul style="list-style-type: none"> - Date of national consultation meeting on draft NIP; - Date of national endorsement of NIP draft; 	consultation workshop on the review and update of the NIP has not been conducted	<ul style="list-style-type: none"> - At least 10 stakeholders commented on the draft NIP; - One national consultation workshop held; - One endorsement workshop held. 	- Project progress reports (see M&E)	promote all the working group's activities; NIP reviewing and drafting committee will be comprised of members from various sectors; Private sector and civil society will contribute to the inventory activities.
Outcome 2. China's national capacity build for new POPs management					
Indicators: increased awareness of the participating stakeholders (before/after the project); Nr. of people trained in inventory of new POP chemicals; Nr. of trained national and municipal governmental officers in the new POPs management particularly in the Ministry in charge of the project; Nr. of at least 10 experts in POPs management from private & public institutions					
Output 2.1 Coordination mechanism in place, and national regulatory framework and capacities assessed and awareness for new POPs raised	<ul style="list-style-type: none"> - Nr. of project coordination unit meetings; - Date of inception workshop; - Nr. of public people reached through awareness raising activities; - Nr. of women reached through awareness raising activities; - Date of assessment reports on (i) legislative and regulatory framework; (ii) 	<ul style="list-style-type: none"> - PCU meetings not held; - Inception workshop not held; - Awareness raising activities on new POPs not done; - Awareness raising activities addressing women not done; 	<ul style="list-style-type: none"> - At least 6 PCU meetings (every 6 months); - Inception workshop held; - At least two awareness raising compaigns, including women, conducted; - Assessment report on (i)legislative and 	<ul style="list-style-type: none"> - Communication records of PM; - Steering Committee meeting minutes; - Project progress reports (see M&E) 	The Foreign Economic Cooperation Office of Ministry of Environment Protection will promote all the working group's activities; NIP reviewing and drafting committee will be comprised of members from various sectors; Private sector and civil society will

HIERARCHY OF OBJECTIVES	Indicators	Baseline	Target	Sources of verification	Assumptions
	capacity report	- Assessment reports are not available	regulatory and (ii) capacity available		contribute to the inventory activities.
Output 2.2 Priorities for new POPs decided upon, and capacities for new POPs management in pilot provinces strengthened	<ul style="list-style-type: none"> - Date of detailed inventory report for selected provinces submitted; - Date of prioritization workshop; - Date of feasibility study for selected province submitted to PCU and UNIDO 	<ul style="list-style-type: none"> - detailed inventory report is not available; - Feasibility study is not available 	<ul style="list-style-type: none"> - Priority setting report available and submitted to PCU and UNIDO; - Prioritization workshop held; - Feasibility study for selected province submitted to PCU and UNIDO 		The Foreign Economic Cooperation Office of Ministry of Environment Protection will promote all the working group's activities; NIP reviewing and drafting committee will be comprised of members from various sectors; Private sector and civil society will contribute to the inventory activities
Outcome 3. Monitoring and Evaluation					
Indicators: All reports under M&E submitted to PCU and UNIDO					
Output 3.1. Periodic monitoring and terminal evaluation of project implementation done	<ul style="list-style-type: none"> - Date of progress reports as indicated in the M&E send to UNIDO; - Date of mid-term review and feedback 	- No progress reports are available	- All reports according to the M&E send to PCU and UNIDO	- Project progress reports (see M&E)	PCU and UNIDO will regularly monitor the implementation progress.