



REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title: Integrated and Environmentally Sound PCBs management in Ecuador			
Country(ies):	Ecuador	GEF Project ID: ¹	4741
GEF Agency(ies):	UNDP (select) (select)	GEF Agency Project ID:	4827
Other Executing Partner(s):	Ministry of Environment in Ecuador	Submission Date:	2013-12-05
GEF Focal Area (s):	Persistent Organic Pollutants	Project Duration(Months)	48
Name of Parent Program (if applicable):		Project Agency Fee (\$):	200,000
<ul style="list-style-type: none"> ➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/> ➤ For PPP <input type="checkbox"/> 			

A. FOCAL AREA STRATEGY FRAMEWORK²

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
(select) CHEM-1	Outcome 1.4. POPs waste prevented, managed, and disposed of, and POPs contaminated sites managed in an environmentally sound manner.	Indicator 1.4.1 Amount of PCBs and PCB-related wastes disposed of, or decontaminated; measured in tons as recorded in the POPs tracking tool.	GEF TF	1,720,000	8,393,949
(select) CHEM-1	Outcome 1.5 Country capacity built to effectively phase out and reduce releases of POPs.	Indicator 1.5.2. Progress in developing and implementing a legislative and regulatory framework for environmentally sound management of POPs, and for the sound management of chemicals in general, as recorded in the POPS tracking tool.	GEF TF	280,000	1,000,000
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
(select) (select)			(select)		
Total project costs				2,000,000	9,393,949

B. PROJECT FRAMEWORK

¹ Project ID number will be assigned by GEFSEC.

² Refer to the [Focal Area Results Framework and LDCF/SCCF Framework](#) when completing Table A.

Project Objective: To promote the sound management of PCB's contaminated oil, equipment, sites and wastes in Ecuador, according to the Basel and Stockholm conventions.

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
1. Institutional Capacity Strengthening for sound and environmentally friendly management of PCBs.	TA	<p>A. Improved legislation about hazardous chemicals, including PCBs-COPs.</p> <p>B. Improved institutional capacity to adequately manage PCBs, including the skills to present proper reports to the Convention Secretariat.</p> <p>C. Awareness raised amongst the general public and the private sector about the importance of sound management of PCBs.</p>	<p>A.1. PCB legislation reviewed and updated.</p> <p>A.2. Norms and standards for environmentally sound management of PCBs are developed and adopted.</p> <p>B.1. National PCB Inventory updated and improved. Labeling of stocks.</p> <p>B.2. PCB stocks-tracking information system.</p> <p>B.3. National PCB management plan until 2020 elaborated.</p> <p>C.1. Sound management of PCBs training manual elaborated and published.</p> <p>C.2. Training of firms in the implementation of PCB management plans.</p> <p>C3. Communications campaign, knowledge dissemination</p>	GEF TF	230,000	683,105
2. Environmentally Sound Management of PCBs.	TA	D. Management practices related to PCBs are improved.	<p>D.1. Technical guidelines for PCB sound management are established.</p> <p>D.2. Safety regulations are revised, improved and implemented.</p> <p>D.3. Feasibility studies of different in-country and out-of-country</p>	GEF TF	450,000	648,493

			<p>sound management and disposal options for oil, equipment and wastes contaminated with PCBs.</p> <p>D.4. Prioritization of the different options available for disposal and/or management of oil, equipment and wastes contaminated with PCBs.</p> <p>D.5. Pilot and replicable projects for the proper disposal of PCB-stocks executed and evaluated.</p>			
3. Environmentally sound storage and disposal of PCBs waste.	Inv	<p>E. Proper storage of PCB-contaminated oil, equipment and other wastes.</p> <p>F. Proper disposal of 50 % of currently identified stocks (750 MT).</p>	<p>E.1. Contaminated equipments, oil and wastes are classified and properly stored.</p> <p>E.2. Environmental management plans for temporary storage facilities.</p> <p>F.1. Coordination mechanisms between the Government and private holders of PCBs developed.</p> <p>F.2. Disposal plan developed and disseminated.</p> <p>F.3. Removal of PCB stocks for Galápagos</p> <p>F4. Verification of capacity, safety and environmental performance of in-country disposal options</p> <p>F.5. Disposal (in-country or abroad) of 750 MT PCB contaminated oils,</p>	GEF TF	1,070,000	7,662,351

			equipments and wastes.			
4. Monitoring, Learning, Adaptive feedback and Evaluation	TA	4. Monitoring, Learning, Adaptive feedback and Evaluation		GEF TF	70,000	0
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					1,820,000	8,993,949
Project management Cost (PMC) ³				GEF TF	180,000	400,000
Total project costs					2,000,000	9,393,949

C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	Ministry of Environment	In-kind	643,905
National Government	Ministry of Electricity and Renewable Energy	In-kind	350,000
National Government	National Electricity Council	In-kind	89,200
Private Sector	Electricity companies	Cash	8,310,844
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
(select)		(select)	
Total Co-financing			9,393,949

D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

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

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

(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. PMC amount from Table B should be included proportionately to the focal area amount in this table.

² Indicate fees related to this project.

F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	118,000	0	118,000
National/Local Consultants	454,651	1,000,000	1,454,651

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

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

PART II: PROJECT JUSTIFICATION

A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF⁴

- A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc. N/A
- A.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities. N/A
- A.3 The GEF Agency’s comparative advantage: N/A
- A.4. The baseline project and the problem that it seeks to address: N/A
- A. 5. Incremental /Additional cost reasoning: describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated global environmental benefits (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project: N/A
- A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks: N/A
- A.7. Coordination with other relevant GEF financed initiatives N/A

B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:

B.1 Describe how the stakeholders will be engaged in project implementation.

The main stakeholders are The Ministry of Environment, the Ministry of Electricity and Renewal Resources (MEER), the National Electrical Council (CONELEC), Public and Private companies, Civil Society organizations, NGOs, Research centers and the Industrial Sector Organizations.

The project document illustrates the Management Arrangements and organizational chart, but for the coordinating mechanism to be efficient, the following commitment process is suggested:

- 1. The MAE and the CONELEC need to enhance the work that the CONELEC technical subcommittee has been

⁴ For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question.

doing with PCB management and the sector obligations.

2. The CONELEC is who issues the environmental licensing for the electrical companies and therefore is the direct monitor of compliance with the environmentally sound management of PCBs.
3. The Technical Consulting Committee that will be formed should have representatives from: CONELEC, MAE, the electrical companies and research institutes. This committee should meet regularly and be the coordinating mechanism providing all necessary information for the decision making process.
4. The Technical Consulting Committee should facilitate and promote the necessary institutional coordination for the fulfillment of the project planning, expected outputs and outcomes.
5. Some actions to be taken for the involvement of all the stakeholders are the formulating of working groups, institutional agreements, workshops and seminars for awareness raising and training.

B.2 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): The proposed project will achieve the disposal of 750 MT of Ecuador's current inventory of PCBs and create the enabling environment for the country and PCB holders to dispose of their remaining inventory in a cost effective and safe manner via the introduction of a PCB management system in Ecuador.

Gender Dimensions: Efforts to ensure the Sound Management of Chemicals, including Persistent Organic Pollutants (POPs), have important gender dimensions. In daily life, men, women, and children are exposed to different kinds of chemicals in varying concentrations. Biological factors — notably size and physiological differences between women and men and between adults and children — influence susceptibility to health damage from exposure to toxic chemicals. Social factors, primarily gender-determined occupational roles, also have an impact on the level and frequency of exposure to toxic chemicals, the kinds of chemicals encountered, and the resulting impacts on human health.

Often, gender dimensions are considered to be 'women affairs', however UNDP considers —gender to refers to the socially constructed rather than biologically determined roles of men and women (and children) as well as the relationships between them in a given society at a specific time and place.

With respect to the management and disposal of PCBs, it can safely be assumed that in Ecuador the majority of PCB handlers such as workers employed by electricity generation and distribution companies, maintenance companies, junkyards and recycling plants, large consumers and industries, retail consumers and industrial users among others, are men. On the other hand, women and children, who spent most time within their communities, might be at greatest risk from close proximity to PCB contaminated areas.

These gender dimensions will need to be reflected at both project and policy-level interventions pertaining to the sound management of chemicals in general and the sound management of PCBs in particular. The participation, representation and buy-in of vulnerable worker populations and local communities in the project's formulation and the incorporation of gender dimensions into project activities will be explored as per the —UNDP Technical Guide on mainstreaming SMC and the UNDP guidance note on "The why and how of mainstreaming gender in chemicals management". This will be further detailed during the project implementation.

- B.3. Explain how cost-effectiveness is reflected in the project design: Project activities have been designed in such a way that Cost-effectiveness should be achieved during the implementation of the project. The implementation will follow standard UNDP rules and regulations and will assure that procurement processes will be open, transparent and competitive, and all larger contracts will be published internationally. This should assure that value for money will always be achieved.

The establishment of a national PCB management system should be quite cost effective in that it will allow for large and small PCB owners to dispose of their contaminated equipment and oils at a lower cost, while having the possibility of having a return on the metal recovery of their transformers.

Ecuador will introduce a legislation that will make obligatory to implement the environmentally sound management of hazardous waste which is in line with the Stockholm Convention requirements of reduction and elimination of PCBs. Cost-efficiency will depend on the total amount of PCBs that the updated inventory will reveal. The high concentration PCB oils will necessarily be exported for incineration but the lower concentration oils and transformers decontamination can potentially be managed in the country, or more likely, be exported for destruction as part of an international licitation process .

C. DESCRIBE THE BUDGETED M &E PLAN:

The project will be monitored through the following M&E activities.

Project start:

A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and with appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

- a) Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
- b) Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
- c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
- d) Discuss financial reporting procedures and obligations, and arrangements for annual audit.

Plan and schedule Project Board meetings. Roles and responsibilities of all project organization structures should be clarified and meetings planned. The first Project Board meeting should be held within the first 12 months following the inception workshop. The Project Board is formed by MAE, UNDP and CONELEC.

- e) An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly:

Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.

Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically

classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).

Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.

Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Annually:

UNDP direct project support services will be defined yearly, and for those executed during the period, direct project costs will be charged at the end of each year based on the UNDP Universal Pricelist (UPL) or the actual corresponding service cost

Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following:

- Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
- Project outputs delivered per project outcome (annual).
- Lesson learned/good practice.
- AWP and other expenditure reports
- Risk and adaptive management
- ATLAS QPR
- Portfolio level indicators (i.e. GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

Periodic Monitoring through site visits:

UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

Mid-term of project cycle:

The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation (insert date). The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-

term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the UNDP Evaluation Office Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle.

End of Project:

An independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Learning and knowledge sharing:

Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus. .


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 form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Marcela Aguiñaga Vallejo	Minister of Environment	MINISTRY OF ENVIRONMENT	11/25/2011

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 CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Adriana Dinu UNDP GEF Officer-in-Charge and Deputy Executive Coordinator		12/05/2013	Dr. Suely Carvalho	212 906 6687	suely.carvalho@undp.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Please refer to Section III “Project Results Framework” of the UNDP Project Document.

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

The only comment by the GEF SEC that needs to be addressed at CEO endorsement is whether PCBs will be disposed of nationally or internationally. UNDP would like to confirm that all pure PCBs (if any) will be exported for destruction. For oils contaminated with PCBs (low concentrations) it both local disposal / decontamination options as well as export will be considered, and the final choice will depend on the cost effectiveness.

ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS⁵

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

PPG Grant Approved at PIF: 50,000			
<i>Project Preparation Activities Implemented</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>
Definition of needs and strategies for institutional strengthening	10,000	10,000	
Definition of needs and strategies for improvements to regulatory and policy framework including enforcement in relation to PCBs	10,000	10,000	
Refine PCB inventory in Ecuador, develop methodology and general principles for a sustainable PCB Waste Management Scheme	18,000	18,000	
Development M&E Strategy	3,000	3,000	
Co-finance scheme Project definition	9,000	9,000	
Total	50,000	50,000	0

⁵ If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/NPIF Trust Fund or to your Agency (and/or revolving fund that will be set up)

N/A