



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

GEF ID:	4782		
Country/Region:	Lao PDR		
Project Title:	Strengthening POPs Management Capacities and Demonstration of PCB Destruction at the Energy Sector		
GEF Agency:	UNIDO	GEF Agency Project ID:	
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	POPs
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	CHEM-1; Project Mana;		
Anticipated Financing PPG:	\$0	Project Grant:	\$1,400,000
Co-financing:	\$5,600,000	Total Project Cost:	\$7,000,000
PIF Approval:		Council Approval/Expected:	June 01, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Ibrahima Sow	Agency Contact Person:	Mohamed Eisa

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion <sup>1</sup>	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	Yes. Lao PDR has ratified the SC and developed its NIP.	
	2. Has the operational focal point endorsed the project?	Yes. OFP endorsed the project in July 2011.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	Yes. Enjoying close relationship with the industries, UNIDO is well positioned to provide capacity building and technical assistance for ESM of hazardous waste. UNIDO also has experiences in similar projects.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	NA	

\*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

<sup>1</sup> Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 11-22-2010

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	5. Does the project fit into the Agency's program and staff capacity in the country?	Please rewrite C.2 to sufficiently answer this question.  April 11, 2012_JP UNIDO's National Cleaner Production Center(NCPC) in Laos and regional office in Thailand will be involved in the project.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	• the STAR allocation?		
	• the focal area allocation?	Yes	
	• the LDCF under the principle of equitable access		
	• the SCCF (Adaptation or Technology Transfer)?		
	• Nagoya Protocol Investment Fund		
	• focal area set-aside?		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	Yes	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	Yes. CHEM1	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	Yes, the proposed project is consistent with Lao's NIP priorities.	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	The project will definitely help to develop capacities in the country, esp. that of SC unit under the Water Resources and Environment	

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		<p>Administration, but there is no clear vision of how it will contribute to the sustainability of project outcomes. Please elaborate.</p> <p>April 11, 2012_JP At CEO endorsement stage, it should be stated whether the project is seeking for procurement or temporary leasing of PCB disposal equipments. PCB inventory shows that there are 6,867 transformers in the country, the proposed project aims at the disposal of 1,000. How temporary leasing of equipments takes into account the disposal of the remaining capacitors after its end-of-life needs to be justified.</p>	
Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	<p>B.1 of the current document is a mixture of description about implemenetation/execution arrangements and baseline project/situation. Please separate the two parts. While rewriting baseline project, please make sure to present clearly how proposed GEF project builds on baseline project.</p> <p>April 11, 2012_JP Addressed</p>	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		

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	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	To be assessed after baseline part is rewritten.  April 11, 2012: Addressed	
	14. Is the project framework sound and sufficiently clear?	UNIDO is planning to introduce BAT for environmentally sound disposal of 250 tons of PCB contaminated transformers to Laos through procurement or temporary leasing. In this way, disposal costs will be 8000 USD per ton. And 20 tons of contaminated soil will be exported abroad for incineration. There are a few questions: 1. What type of BAT will be introduced and why? What are the considerations behind procurement and temporary leasing, taking into account national and regional context? 2. How significant is the proposed disposal amount in comparison to the total amount of inventoried contaminated equipments and waste? Generally yes. 3. Does the project aim to develop a detailed national PCB inventory or just inventorize, test and label about 1000 transformers?  April 11, 2012_JP Addressed	
	15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?	To be assessed  April 11, 2012_JP Addressed	

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	16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/ additional benefits?	Yes	
	17. Is public participation, including CSOs and indigenous people, taken into consideration, their role identified and addressed properly?	Yes	
	18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)	<p>Para 29 About Climate change risk CC risk is identified as non-exist since PCB oils will be recycled rather than incinerated. Does this mean that PCB oil collected from decontamination of 250 tons of transformers will be recycled? for what use? It is said clearly that 20 tons of contaminated soil will be exported for incineration. Since incineration is still involved in this project, climate change risk is still relevant.</p> <p>About risk of larger contaminated soil amount The mitigation measure for this risk includes "during the development of the MSP document an alternative budget and work plan will be prepared". Which MSP is it referring to? How it solves/mitigates the risk is unclear. Please come up with corresponding measures.</p> <p>About "exposure assessment and risk</p>	

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		<p>estimation" risk Should this be a risk or instead a mitigation measure to reduce exposure risk? Please clarify. The mitigation measures identified do not seem to be included as project activities? Please clarify.</p> <p>April 11, 2012_JP Addressed</p>	
	19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?	<p>No. It is not addressed in the project document.</p> <p>GEF is providing some information below to help further development of the project. Please try to make coordination arrangement if appropriate.</p> <p>BCRC-Asia and Pacific is using QSP resources to execute a regional project on "Capacity Strengthening and Information Exchange on PCBs Management". Lao PDR is one of the participating countries. The project will help to build national PCBs management policies and develop regional strategy and information exchange platform.</p> <p>WB has done a National Training Workshop on Health Risk Management of Persistent Organic Pollutants (POPs) in South East Asia in 2009.</p> <p>JICA has done a Study on Power Network System Plan in Lao PDR with EDL.</p> <p>Please identify other related initiatives</p>	

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		the country and regional for coordination.  April 11, 2012_JP Addressed	
	20. Is the project implementation/ execution arrangement adequate?	Although mixed with baseline project, project implementation/exeduction arrangement is adequate for PIF stage.	
	21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?		
	22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?		
Project Financing	23. Is funding level for project management cost appropriate?	There is no PMC indicated.  PMC is 4.6% of the total project costs.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	The project cost appears too high. Should not be more than \$ 1.4 million.  April 11, 2012_JP Addressed	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	Even as an LDC, the current co-financing ratio of 1:2 is still too low. Please increase co-financing closer to GEF requirement.  April 11, 2012_JP Addressed	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	UNIDO is bringing 100,000 USD to the project, 70,000 in kind, 30,000 in cash.	

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Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		
	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?		
	• Convention Secretariat?		
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	<b>30. Is PIF clearance/approval being recommended?</b>	Not at this stage. Pending clarification of above mentioned issues.  April 11, 2012_JP Issues have been clarified. Recommended for PIF clearance.	
	31. Items to consider at CEO endorsement/approval.		
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	<b>33. Is CEO endorsement/approval being recommended?</b>		
Review Date (s)	First review*	November 30, 2011	
	Additional review (as necessary)	April 11, 2012	
	Additional review (as necessary)		
	Additional review (as necessary)		
	Additional review (as necessary)		



\* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

#### REQUEST FOR PPG APPROVAL

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

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