

## 1. Project Data

Summary project data			
GEF project ID		3270	
GEF Agency project ID		3692	
GEF Replenishment Phase		GEF-4	
Lead GEF Agency (include all for joint projects)		UNDP	
Project name		Environmentally Sound Management and Destruction of PCBs	
Country/Countries		Mexico	
Region		Latin America and Caribbean	
Focal area		Persistent Organic Pollutants (POPs)	
Operational Program or Strategic Priorities/Objectives		SO-1: strengthening Capacity for National Implementation Plan (NIP); SO-2: Partnering in Investments for NIP implementation.	
Executing agencies involved		Secretariat of Environment and Natural Resources. (SEMARNAT)	
NGOs/CBOs involvement		Civil society groups part of Technical Advisory Committee	
Private sector involvement		Private sector were stakeholders	
CEO Endorsement (FSP) /Approval date (MSP)		January 15 <sup>th</sup> , 2009	
Effectiveness date / project start		April 2009	
Expected date of project completion (at start)		December 2012	
Actual date of project completion		June 20, 2014	
Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)
Project Preparation Grant	GEF funding	0.20	0.20
	Co-financing	0.11	-
GEF Project Grant		4.63	4.63
Co-financing	IA own	0.01	-
	Government	14.15	9.96
	Other multi- /bi-laterals	-	8.81
	Private sector	0.01	-

	NGOs/CSOs	-	-
<b>Total GEF funding</b>		4.83	4.83
<b>Total Co-financing</b>		14.28	18.77
<b>Total project funding (GEF grant(s) + co-financing)</b>		19.12	23.59
<b>Terminal evaluation/review information</b>			
<b>TE completion date</b>		June 2015	
<b>Author of TE</b>		Cristóbal Vignal	
<b>TER completion date</b>		February 7, 2017	
<b>TER prepared by</b>		Spandana Battula	
<b>TER peer review by (if GEF IEO review)</b>		Molly Watts	

## 2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF IEO Review
Project Outcomes	S	HS	-	S
Sustainability of Outcomes		L	-	ML
M&E Design		HS	-	HS
M&E Implementation		HS	-	HS
Quality of Implementation		HS	-	HS
Quality of Execution		HS	-	HS
Quality of the Terminal Evaluation Report		-	-	MS

## 3. Project Objectives

### 3.1 Global Environmental Objectives of the project:

The Global Environmental Objective of the project was “to strengthen capacity in Mexico to manage and phase out PCBs in an environmentally sound and safe manner, placing emphasis on government coordination and facilitation of services” (TE pg 14).

### 3.2 Development Objectives of the project:

The Development Objective of the project was “to minimize risks of exposure from PCBs to Mexicans (estimated population 103.3 million (INEGI, 2007), including vulnerable populations, and to the environment, while promoting Mexico’s compliance with Stockholm Convention requirements for PCB management and destruction” (PD pg 14). The project intended to achieve this objective through four components, namely (PD pgs 29-34):

Component 1: Strengthened institutional capacity within Mexico’s central and state governments for environmentally sound and safe management and destruction of PCBs;

Component 2: Safe regional and/or central interim PCB storage facilities established/upgraded in particular, interim storage accessible to PCBs decommissioned from Small and Medium Enterprises;

Component 3: Establishment and demonstration of a national coordinated comprehensive service system for PCB management (from generator to final destruction), via state and municipal pilots;

Component 4: Communication outreach strategy developed and implemented to improve societal engagement, in particular SME generators and those responsible for/involved with sensitive site management.

3.3 Were there any **changes** in the Global Environmental Objectives, Development Objectives, or other activities during implementation?

There were no changes in the objectives, however, Outcome 2 on Safe regional and/or central interim PCB storage facilities established/upgraded in particular, interim storage accessible to PCBs decommissioned from Small and Medium Enterprises was cancelled as it was found that the existing storage capacities were adequate (TE pg 25).

#### 4. GEF IEO assessment of Outcomes and Sustainability

Please refer to the GEF Terminal Evaluation Review Guidelines for detail on the criteria for ratings.

Relevance can receive either a Satisfactory or Unsatisfactory rating. For Effectiveness and Cost efficiency, a six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess. Sustainability ratings are assessed on a four-point scale: Likely=no or negligible risk; Moderately Likely=low risk; Moderately Unlikely=substantial risks; Unlikely=high risk. In assessing a Sustainability rating please note if, and to what degree, sustainability of project outcomes is threatened by financial, sociopolitical, institutional/governance, or environmental factors.

Please justify ratings in the space below each box.

<b>4.1 Relevance</b>	Rating: Satisfactory
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The project was relevant to GEF's Persistent Organic Pollutants (POP) focal area. Within the POP, it was in conformity with Strategic Objective 1 of strengthening Capacity for National Implementation Plan (NIP), and Strategic Objective 2 of Partnering in Investments for NIP implementation. It was also consistent with Operational Priority 14 which aimed at "reducing or eliminating release of POPs into environment by providing developing countries and countries with economies in transition with assistance on an incremental basis" (PD pgs 20-21).

The project was also aligned with Mexico's priorities for Polychlorinated Biphenyls (PSBs) within its National Implementation Plan that is to verify, review and improve its ability to track PCBs from use through destruction, guidance and raising awareness (PD pg 13). In addition, it is consistent with Mexico's "federal legislation for PCBs and toxic and hazardous wastes, as well as with the objectives of Mexico's National Development Plans for 2007-2012 and 2012-2018, which include promotion of development that is in harmony with nature and the environment" (TE pg 12).

<b>4.2 Effectiveness</b>	Rating: Highly Satisfactory
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The TE rated the effectiveness of the project as Highly Satisfactory based on the successful achievements of targets under three of its four components. Component 2 on establishing PCBs storage facilities was cancelled after a detailed study as it was considered not necessary. The three remaining

components related to strengthening institutional capacities for destruction of PCBs, establishing a coordinated system for PCB management, and building a communication outreach strategy, and the targets under these components were successfully met. Thus, the TER also maintains a Highly Satisfactory rating for the project's effectiveness. Achievements under the components are listed below:

Component 1: Strengthened institutional capacity within Mexico's central and state governments for environmentally sound and safe management and destruction of PCBs project:

This component, aimed to strengthen and adopt legal framework, enhance technical and institutional capacity as well as improve reporting on PCBs to the Stockholm Convention Secretariat, was achieved in a highly satisfactory manner. The project developed an update to Regulation on Environmental protection-PCBs-Management Specifications through facilitation of a high-level working group. The process involved discussions with main stakeholders, particularly with the industrial and electrical sectors. The Regulations include definitions for important terms such as retro-filling and hazardous waste. It also mandates unregulated workshops to keep an account of operations registry. As per the TE, the facilitation and development of the Regulation "reactivated the process 13 years after the signature of the Stockholm Convention" (TE pg 24). In regard to capacity building, the project trained 270 Federal and State level inspectors with a "train-the-trainers approach and a number of major workshops took place in 2009, 2011 and 2013, which were attended by approximately 1,150 participants whose capacities are reported as having been substantially strengthened" (TE pg 24). It also held 235 maintenance workshops and 216 laboratories for enterprises owning operation equipment's, chambers of commerce and associations. For the PCB inventory, the project sampled 906 sites and a database of 2,770 transformers were developed. A web platform called Integrated Services Management System (ISMS) was developed and tested which would "allow a large number of PCB possessors to pool their waste and achieve environmentally sound disposal of PCBs at a reasonable cost" (TE pg 25).

Component 2: Safe regional and/or central interim PCB storage facilities established/upgraded in particular, interim storage accessible to PCBs decommissioned from Small and Medium Enterprises:

This component originally expected to establish an adequate PCB interim storage capacity for environmentally sound manage of the PCB storage facilities, however, after a detailed study on assessment of countrywide storage capacities, it was determined that "no additional storage capacities were required in Mexico to attend to the present and/or future needs of the country" (TE pg 25). Thus, the project activities under this component were cancelled (PIR 2014).

Component 3: Establishment and demonstration of a nationally coordinated comprehensive service system for PCB management (from generator to final destruction) via state and municipal pilots:

Under this component, the project aimed to operate federally-coordinated service system for PCB management for SMEs, employ an environmentally sound approach for destruction of PCBs, and improve monitoring of PCB movements. The project undertook pilot projects in two sites which included analysis of current capacities, and sampling sites for an evaluation with PCB laboratories (TE pg 25). The development of ISMS facilitated in reporting activities on identification of PCBs, storage and transportation, and end of life disposal. The ISMS also included "capacity building for inspection authorities and analytical laboratories in the pilot states... as well as an awareness-raising and

communication strategy, which has included the development of a number of guidelines” (TE pg 26). The project also undertook a study on destruction capacities of enterprises treating PCBs wastes and it identified seven companies dedicated to the destruction of PCBs but only one enterprise met the standards of environmentally friendly destruction of the incinerated substances. In addition, the project surpassed the destruction objective of 3,215 tons by destroying 5,350 tons of PCBs (TE pg 26).

Component 4: Communication outreach strategy developed and implemented to improve societal engagement, in particular SME generators and those responsible for/involved with sensitive site management, project beneficiaries, including for co-financing:

As per the TE, the component’s aim to implement an effective communication and awareness-raising strategy was achieved in a Highly Satisfactory manner. The project conducted workshops on awareness-raising and disseminated brochures and documentation for key target groups. The main focus of the audience were SMEs such as industrial and services organizations, associations of municipal governments, associations of drinking water operators and other enterprises owning transformers. The information was made available through a web page and about 187 newspapers contained articles on PCBs during the project timeframe (TE pg 27).

<b>4.3 Efficiency</b>	Rating: Moderately Satisfactory
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The TE gave a Satisfactory rating to project’s efficiency and reported that “the project suffered implementation delays, however the results and in particular the unintended co-benefits, have pushed the overall project rating up” (TE pg 24). Initially, the project was delayed because of late approvals of licenses by SEMARNAT, and during implementation the project faced delays due to a change in government and because the procurement process proved to be time consuming (APR report 2012 pg 13; PIR 2013 pg 30). In regard to costs, the TE stated that budget was adequate and there were no issues in disbursement of funding. Given the numerous delays in project implementation, the TER gives a Moderately Satisfactory rating.

<b>4.4 Sustainability</b>	Rating: Moderately Likely
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The TE gave a Likely rating to the overall sustainability of the project. However, the TER finds that the sustainability of sociopolitical and institutional framework criteria are Moderately Likely because of lack of stakeholder support shown and failure to provide adequate governance plans by the government. Detailed assessment of the financial resources, sociopolitical, institutional framework and governance, and environmental criteria are listed below:

Financial resources: The TE stated that the financial sustainability of the project was dependent on “future actions, particularly as framed in the 2012-2018 National Development Plan of the Government of Mexico” (TE pg 29). However, as a second phase of the project was supported by the country and considered by GEF, the financial sustainability seems Likely (TE pg 29).

Sociopolitical: During implementation, the project gained political support and, in addition, Mexico has also shown commitment in supporting the second phase of the project (TE pg 78). There is also adequate public awareness due to the project's effective employment of communication outreach strategy on PCB/hazardous waste management (TE pg 27), however the TE does not report on stakeholder support.

Institutional framework and governance: The project was successful in creating a coordinated Integrated Services Management System for PCBs and it updated the Regulation on Environmental protection-PCBs-Management Specifications. The project also determined that there was enough storage capacity for PCBs. However, there is no information on capacity building for the future as "Mexico has a large territory to cover and needs to comprehensively improve capabilities" (TE pg 29).

Environmental: The TE does not report of any environmental risks due to project activities that could pose a threat to the environmental benefits.

## **5. Processes and factors affecting attainment of project outcomes**

5.1 Co-financing. To what extent was the reported co-financing essential to the achievement of GEF objectives? If there was a difference in the level of expected co-financing and actual co-financing, then what were the reasons for it? Did the extent of materialization of co-financing affect project's outcomes and/or sustainability? If so, in what ways and through what causal linkages?

The actual co-financing amount of US \$18,769,000 was higher than expected co-financings amount of US \$14,280,000. The TE stated that the disbursement of funding was done in appropriate and timely-manner, however, it does not provide information on how the funding was utilized for activities.

5.2 Project extensions and/or delays. If there were delays in project implementation and completion, then what were the reasons for it? Did the delay affect the project's outcomes and/or sustainability? If so, in what ways and through what causal linkages?

The project was extended till end of 2014 from the original deadline of December 2012 because of delays. The project faced delays due to changes in the Federal government, administrative issues in contract for destruction of PCBs stock, and late approvals of licenses by SEMARNAT (APR report 2012 pg 13; PIR 2013 pg 30).

5.3 Country ownership. Assess the extent to which country ownership has affected project outcomes and sustainability? Describe the ways in which it affected outcomes and sustainability, highlighting the causal links:

The country ownership of the project was high at all levels, namely, federal, state and enterprises. The TE reported that at the inception workshop, "85 representatives of all of the stakeholder categories contributed to reinforce the sense of ownership and allowed for an open and frank dialogue" (TE pg 28).

Ownership also permeated in other agencies, departments and ministries like the Ministry of Health and it is evidenced in the fact that the ISMS was adopted which has directly contributed to the mainstreaming of POPs. Lastly, the government gave significant co-financing to the project, including in-kind contributions, and also provided technical as well as legal expertise through national organizations and facilities for meeting space (TE pg 28).

**6. Assessment of project’s Monitoring and Evaluation system**

Ratings are assessed on a six point scale: Highly Satisfactory=no shortcomings in this M&E component; Satisfactory=minor shortcomings in this M&E component; Moderately Satisfactory=moderate shortcomings in this M&E component; Moderately Unsatisfactory=significant shortcomings in this M&E component; Unsatisfactory=major shortcomings in this M&E component; Highly Unsatisfactory=there were no project M&E systems.

Please justify ratings in the space below each box.

<b>6.1 M&amp;E Design at entry</b>	Rating: Satisfactory
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The TE gave M&E design at entry a Highly Satisfactory rating, however, the report does not provide detailed evidence. The TER finds that the project document had provisions for inception workshop and report, day-to-day monitoring of implementation progress, financial monitoring and audits, project implementation review, mid-term review, and terminal evaluation report. The project estimated the budget of US \$100,000 for M&E and provided timeframe for each M&E activity (PD pgs 53-54). As per the TE, the baselines and targets were clear, the indicators were suitable, and verification sources were accessible. Also, the project was “formulated based on the logical framework approach with a clear thematically focused development objective” (TE pg 17).

<b>6.2 M&amp;E Implementation</b>	Rating: Satisfactory
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The TE rated M&E implementation as Highly Satisfactory because there were no shortcomings identified. The project held the Project Inception Workshop with the project team, government stakeholders and UNDP and also constituted the Project Steering Committee at the inception phase. The Committee played an instrumental role in monitoring progress and providing input/guidance and decision making (TE pg 19). A mid-term review was conducted at the end of 2011 and it was ascertained that the M&E implementation was Highly Satisfactory and the system was “in place and monitoring of progress and outputs based on indicators was adequately carried out throughout the life of the project” (TE pg 20). Also, there M&E was involved in “workshops and administrative procedures and provided valuable inputs for preparation of quarterly and semi-annual reports to UNDP, and bi-annual regional status reports to the GEF” (TE pg 20).



## 7. Assessment of project implementation and execution

Quality of Implementation includes the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to execution agencies throughout project implementation. Quality of Execution covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances, the focus is upon factors that are largely within the control of the respective implementing and executing agency(s). A six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess.

Please justify ratings in the space below each box.

<b>7.1 Quality of Project Implementation</b>	Rating: Satisfactory
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The TE gave Highly Satisfactory rating to UNDP's project implementation. UNDP gave overall management support to the project and assisted the SEMARNAT in the execution "through the provision of timely assistance at key phases of results based management project implementation, in the review of documents and reports prepared by the project, in the disbursement of funds necessary for the recruitment of international experts and, in other related international expenditures established in the Annual Work Plans approved by the PSC" (TE pgs 18-19). The disbursement of funds was carried out in a timely manner and UNDP carried out financial controls. Although financial audits were carried out, the reports of the audits were not made available at the time of the TE. In regard to project design, the TE stated that project document was of good quality as it had relevant and concise information, and the project document identified key stakeholders and provided mitigation measures for risks involved (TE pg 16, PD pg 11 & 20). Overall, the project was implemented as per UNDP rules and procedures (TE pg 19). The TER gives a Satisfactory rating as the evidence provided is not exceptional.

<b>7.2 Quality of Project Execution</b>	Rating: Satisfactory
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The project's execution agency was Ministry of Environment and Natural Resources (SEMARNAT) and it was supported by Directorate General of Integrated Management of Hazardous Materials and Activities (DIGGIMAR). The TE stated that SEMARNAT proactively collaborated with other Ministries, institutions, and the private sector in facilitating the achievement of outcomes and sustainability of the project (TE pgs 20-21). The collaboration with Ministry of Energy helped in identification of PCB containing equipment, and building capacity on safe practices. SEMARNAT coordinated and co-chaired the Steering Committee, and also supported activities relating to regulatory framework (TE pg 21).

## 8. Assessment of Project Impacts

***Note - In instances where information on any impact related topic is not provided in the terminal evaluations, the reviewer should indicate in the relevant sections below that this is indeed the case***

***and identify the information gaps. When providing information on topics related to impact, please cite the page number of the terminal evaluation from where the information is sourced.***

8.1 Environmental Change. Describe the changes in environmental stress and environmental status that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

The TE stated that the project had contributed in stress reduction on ecological systems which would lead to improvements in ecological status in the longer term. With this it could be inferred that “reduction of releases of POPs into the environment will likely also have a measurable impact on the population, at least in terms of avoided releases and hence, exposure” (TE pg 30).

8.2 Socioeconomic change. Describe any changes in human well-being (income, education, health, community relationships, etc.) that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

The TE does not report of any socioeconomic changes.

8.3 Capacity and governance changes. Describe notable changes in capacities and governance that can lead to large-scale action (both mass and legislative) bringing about positive environmental change. “Capacities” include awareness, knowledge, skills, infrastructure, and environmental monitoring systems, among others. “Governance” refers to decision-making processes, structures and systems, including access to and use of information, and thus would include laws, administrative bodies, trust-building and conflict resolution processes, information-sharing systems, etc. Indicate how project activities contributed to/ hindered these changes, as well as how contextual factors have influenced these changes.

a) Capacities: The project undertook training of 270 Federal and state level inspectors, and also conducted number of workshops for capacity building which were attended by 1,150 participants. The TE noted “745 enterprises, chambers of commerce, associations and enterprises owning and/or operating equipment also saw their capacities strengthened, as well as 235 maintenance workshops, and 216 laboratories” (TE pg 24).

b) Governance: The project managed to update the Regulation on Environmental protection-PCBs-Management Specifications for environmentally safe management and destruction of PCBs. It also created the ISMS as coordinated platform for PCB management (TE pgs 24-25).

8.4 Unintended impacts. Describe any impacts not targeted by the project, whether positive or negative, affecting either ecological or social aspects. Indicate the factors that contributed to these unintended impacts occurring.

The TE stated that an unintended benefit occurred when “poor communities not initially contemplated by the project were decontaminated, therefore delivering on the goal of the project of reduced exposure to PCBs” (TE pg 22).

8.5 Adoption of GEF initiatives at scale. Identify any initiatives (e.g. technologies, approaches, financing instruments, implementing bodies, legal frameworks, information systems) that have been mainstreamed, replicated and/or scaled up by government and other stakeholders by project end. Include the extent to which this broader adoption has taken place, e.g. if plans and resources have been established but no actual adoption has taken place, or if market change and large-scale environmental benefits have begun to occur. Indicate how project activities and other contextual factors contributed to these taking place. If broader adoption has not taken place as expected, indicate which factors (both project-related and contextual) have hindered this from happening.

The TE reported that the approval of Regulation on Environmental protection-PCBs-Management Specifications “contributes to the mainstreaming of PCB related issues in the country” (TE pg 28).

## **9. Lessons and recommendations**

9.1 Briefly describe the key lessons, good practices, or approaches mentioned in the terminal evaluation report that could have application for other GEF projects.

The TE did not provide lessons learnt or good practices utilized, however, it mentioned that “in order to truly assess the longer term results of a project, the goal(s) and clear indicator(s) have to be defined; this should only take place once the sought after impact(s) has/have been clearly defined and indicators to benchmark and eventually assess progress have been established” (TE pg 32).

9.2 Briefly describe the recommendations given in the terminal evaluation.

The recommendations are (TE pgs 31-32):

- a) The project should encourage active participation of Federal and state level stakeholders as well as private sector counterparts so that the momentum is maintained during transition to the second project;
- b) The project should put in place mechanisms to transfer and internalize capacities built by the management unit so that institutional memory does not fade;
- c) The UNDP should explore opportunities to integrate the results “into other cross cutting activities both in Mexico and regionally/internationally as it seeks to lay the foundation for future Stockholm Convention related interventions for all POPs” (TE pg 31); and

- d) UNDP should identify “ambassadors” who benefitted from awareness and capacity building activities to disseminate results and engage other stakeholders; also, the awareness raising activities should be expanded to the general public.

## 10. Quality of the Terminal Evaluation Report

A six point rating scale is used for each sub-criteria and overall rating of the terminal evaluation report (Highly Satisfactory to Highly Unsatisfactory)

Criteria	GEF IEO comments	Rating
To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	The report contains detailed information of relevant outcomes and achievements but it was seriously lacking in the impacts created by the project. There was no information on environmental and socioeconomic changes in the TE.	<b>MS</b>
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report was adequately consistent with the ratings, however, the ratings for sustainability were slightly inflated especially considering the lack of evidence presented.	<b>MS</b>
To what extent does the report properly assess project sustainability and/or project exit strategy?	The project sustainability was incomplete and needed more evidence for the ratings given. The project intended to implement a second phase of the project, hence there is no exit strategy.	<b>MU</b>
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The lessons learned were inadequate and brief with no evidence given.	<b>U</b>
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The actual and expected co-financing amounts were available, but the TE did not provide data on costs per activities.	<b>MU</b>
Assess the quality of the report's evaluation of project M&E systems:	The report assessed the M&E system well and provided appropriate ratings.	<b>S</b>
<b>Overall TE Rating</b>		<b>MS</b>

## 11. Note any additional sources of information used in the preparation of the terminal evaluation report (excluding PIRs, TEs, and PADs).

The TER did not use any additional sources.