Audit Trail Report for the Terminal Evaluation (TE) Report of the project "*Management and Disposal of PCBs in Kyrgyzstan*"

Feedback/Comments from the Project Management Unit (PMU); UNDP Country Office (UNDP CO) in Kyrgyzstan; and, the Regional Center in Istanbul (RCI) received on the 23 September 2015 version of the TE report (first draft).

Page Number	Line number	Comments received from RCI on 7 October 2015	Response from TE Team
i	Logo in the middle at the top of the cover page	Logo above has the exclamation sign	Logo was replaced.
ix	Bullet point 10; Row 3 & 4	If I remember correctly the intention was to support PCB inventory where liquids are tested – is this machine able to test liquids, or does it transform liquid into gas before test is made?	In Row 4 "**Liquid**" was changed to "**Gas**" (*see also changes proposed by PMU below*)
ix	Bullet point 10; Row 5	"**Shimadzu**" instead of "**Shomatsu**"?	Change made
ix	Bullet point 12; Row 2	Replaced "**ad**" with "**and**"	Change accepted
xi	Table 5; Row 2; ast column	Comment: "Safeguarding, as the only other alternative, of this waste was not possible too: there was attempt to agree on protected storage area, but it did not materialize in the end"	The text "**No PCB disposal was achieved under the project**" in the last row and last column of Table 5 was replaced by "**The project partners and stakeholders were unsuccessful in establishing a protected centralized PCB storage facility. PCB containing equipment and PCB containing wastes remain in the same location as before the project**"
xiii	Recommendation #10; Row 11	Replace "**customs union**" with "**Customs Union**"	Change Accepted
xiii	LESSONS-LEARNED; 1st bullet point; Row 11	Comment: "*And other landlocked countries – in Armenia POPs pesticides project this was discussed, but information on these issues appeared after that PIF was approved*"	Changed "**For future central Asia projects related to hazardous waste disposal**" to "**For future projects related to hazardous waste disposal in central Asia and landlocked countries**"
xiv	LESSONS-LEARNED	On the following comment: "Lessons-Learned: The inventory process should be concluded far in advance of the launch of the international tender for disposal. In the case of Kyrgyzstan the 2nd phase inventory results became only available in February 2015, due to various challenges encountered, nevertheless this was later than when the international tender had been concluded (November 2014). As such the technical specifications developed for the tender could not build upon the inventory results."	Lesson-learned was rephrased to: "**Lessons-Learned:** The inventory process should preferably be concluded far in advance of the launch of the international tender for disposal. However, in the case of Kyrgyzstan the 2nd phase inventory results became only available in February 2015, due to various challenges encountered. In the mean time – to safe time, to determine whether the project budget did contain sufficient remaining funds for disposal, and to explore the option to merge PCB wastes with PCB wastes from Kazakhstan – the

		Comment received: This is the result of a special agreement requested from CO that this tender advances with a choice of disposal targets in order to assess financial implications to the project's budget (several scenarios, and one with the targeted amount of tons as approved in the project document). Second point was to attempt to merge Kazakhstan's disposal 1st tender was ongoing there at that time) to save costs.	project launched an open ended tender for various scenarios (direct export by plane to France, export via Kazakhstan to France) and various amounts of PCB wastes (20, 34 and 50 tonnes)."
xiv	LESSONS-LEARNED	Comment: "*Another lesson learned is that comprehensive inventory in the conditions of uncertainty on actual numbers is a pre-requisite for PCB disposal investments.* *Either projects should start with this activity alone (of course with legislative and coordination issues in place), but then the size of the project is MSP and may not be accepted by UNDP-GEF – general trend now is for an FSP type of projects, or having inventory well financed for 2 initial years of each future programme with such uncertainties before disposal components can kick in*"	An additional Lesson-Learned was added, which reads: "In the situation that there is a lot of uncertainty about PCB inventory results, it might be worthwhile to either i) Develop/Implement a small-size project (MSP) that only focuses on conducting a detailed PCB inventory and supporting regulatory and policy review and strengthening, after which a follow-up PCB project (MSP or FSP) could exclusively focus on disposing of the PCB quantities identified, or alternatively ii) Develop/Implement a FSP project that focuses on undertaking an inventory during the project's first two (2) years, after which the donor and project stakeholders decide whether the information obtained is sufficient to launch the second phase of the project focusing on disposal"
xvi	**Inventory**: Row 5	Replace "**following**" by "**followed**"	Change accepted
xvi	**Inventory**: Row 7	Comment, reated to "*the south of the country*" Comment received "*Will be good to mention the number of regions affected*"	No answer from PMU therefore comment was not addressed.
xvi	4th paragraph; Row 6	Regarding the text: "e.g. the launch of the international bidding process for the packing, storage, transport and disposal of PCB wastes was undertaken without having the final inventory results at hand – and were thus based on identified and confirmed PCB quantities at that time – the 34 tons of PCB capacitors" The following comment was received: "See previous clarification on this matter"	Text was changed to" (e.g. the launch of the international bidding process for the packing, storage, transport and disposal of PCB wastes was undertaken without having the final inventory results at hand – and were thus based on identified and confirmed PCB quantities at that time, as well as a number of estimates – 20 tons (estimate); 34 tons (confirmed), 20 tons and 50 tons (estimate))"
xvii	Row 5	Comment: "*And legal reform.. Kumar can explain more. I think this the result of aftermath of the political changes*"	Added after "**many government changes which occurred throughout the project's implementation**" the following **", and the**

			legal reform processes which followed as a result of these"
xvii	**Regulatory Measures**: Rows 16/17	Comment related to the following text: "*Customs Union (12 July 2015) resulted in a ban on the approval of new regulations, which has been in place since August/September 2014*" Comment: "*It would be interesting to assess how Customs Union regulations in PPOPs are could influence national legislation*"	This is not the role of the evaluator – as such this comment has not been addressed.
xvii	**Manage PCBs on a long term basis:** 2nd para; Row 7 - 9	On the report's text: "*and the assumption that overall capacity for SAEPF to conduct quality PCB analysis on its own appeared not to be sufficient, makes for the conclusion that laboratory support to SAEPF*" The following comment was received: "*This can work only in case legislation requires environmental inspection which was then transferred to GETI as a function away from SAEPF – is this correct Kumar?"*	Unable to address comment as Kumar did not review the TE report.
xviii	**Disposal of priority PCB stockpiles:** Row 12	On the report's text "*FAO*" The following comment was received: "*FAO has been looking at UNDP project to find solution for pesticides' storage*".	Comment was not addressed in agreement with RCI.
xviii	**Disposal of priority PCB stockpiles:** 2nd para	On the report's text: "*In conclusion, considering that no cost-effective export routes for PCBs were identified during the project (see below), it might be for the best that for now PCB containing equipment remains with its owners who have been trained on PCB management and equipment maintenance, rather than being removed from the grid and subsequently stored in a centralized facility for which the Government might not have the necessary financing to manage it in accordance with the requirements of the Basel and Stockholm Conventions*." The following comment was received: "*Majority of equipment is online, I understand*"	*Change that was made in indicated in bold.* *it might be for the best that for now PCB containing equipment **(all on-line)** remains with its owners who have been trained on PCB*
xix	Efficiency 1st paragraph Row 6	On the text *"(individual contractors (44) and institutions (19))*" Received the following comment: "*There were 2-3 project managers also.*	The following text was added at the end of the paragraph: "Throughout its duration, due to high turn-over, the project also had 4 project coordinators. The project lost valuable time hiring new project managers

		Second time it was a complete project;s restart."	and bringing them up to speed."
xix	2nd paragraph; Row 1 - 2	On the report's text: "It is for the reasons mentioned above that the project's **Effectiveness** is rated as **Marginally Unsatisfactory (MU)**." The following comment was received: "Only inventory part, labs, awareness raising and trainings, and partially, legislation have been addressed – soft assistance. Equipment is online and will need a PCB management plan in future once it starts be decommissioned. Storage location is essential element which has not been resolved – I assume industries will have to store the waste on site"	Comment was not addressed in agreement with CRI.
xx	**Sustainability**: Row 1 - 3	On the report's text: "*The evaluation rated the various aspects of Sustainability (Financial Resources; Socio-Political; Institutional Framework & Governance; and Environmental) and concluded that the overall Sustainability was deemed **Moderately Unlikely (MU)**.*" The following comment was received: "*Essential point also that the 2025 PCB disposal deadline will be approaching slowly*"	Comment was not addressed in agreement with CRI.
xxi	**2nd paragraph**	On the report's text: "Regarding **Institutional Framework & Governance** aspects it should be mentioned that although import/export/use/re-use/trade of PCBs and PCB containing wastes and equipment is now prohibited and PCBs have been classified as hazardous wastes thanks to the project, important technical regulations, in particular the Technical regulations "On electrical equipment" and "On secure maintenance of the electrical equipment and devices" are still pending government approval. It is unlikely that these regulations will be approved soon. However, without these Technical regulations in place, PCB holders are not required to undertake inventories, and phase-out their PCB containing equipment. " Comment received: "On the other hand, the project has done its effort to produce the drafts according to	This comment was not addressed – in agreement with the CRI – as the evaluation needs to be carried out in accordance with the PRF. The PRF specifically stated that the regulatory framework had to be functionning and in use by the end of the project, which was not the case.

		required benchmarks – I think this is the achievement in hands of the project."	
6	2nd paragraph	On the report's text: "*With the support of a GEF Enabling Activities (EA) Grant through the United Nations Environmental Programme (UNEP) acting as implementing agency, the preparation of the required National Implementation Plan (NIP)[1] was undertaken from 2003 until 2005. The NIP was approved by Government Decree #371 in July 2006 and has been included in the Concept on Environment Security in KR, adopted by Presidential Decree of KR on 23 November 2007, #506.*" Comment received: "*Interestingly enough, the NIP group we were talking about in the beginning of this PIF did not want to let us work with pesticides where inventory was better known and project could be of larger budget, but eventually would have got stuck with export.*"	Comment was not addressed in agreement with CRI.
14	**2nd paragraph**: Row 4 - 8	On the report's text: "as well as developing and implementing a phase-out plan, and developing/introducing including financial incentives to address the safeguarding and disposal of PCB waste and stockpiles not covered by the project. The replication approach as taken up in the project document was not elaborated sufficiently. " The following comment was received: "ESM in PCB management is one approach – I think what has not worked during inventory and establishing PCB control framework is the lack of cooperation from PCB owners (based on poor economic conditions and due to the value they saw in the equipment – possible to run it longer despite age, and cost in replacing it), and lack of legislation to control these owners in this situation. Main lesson is that when the Government's institutional structure is unstable, projects of this category do not work.	Comment was taken up in a different section of the report.

[1] National Implementation Plan for the Stockholm Convention on Persistent Organic Pollutants, Bishkek 2006, http://chm.pops.int/Implementation/NIPs/NIPSubmissions/tabid/253/Default.aspx

		I can give another recent example of Ukraine where a pretty simple project on HCFC phase-out (which is nicely implemented in Kyrgyzstan) does not work because of lack of commitment from the Government to control this area of work."	
16	Section 3.1.8 Paragraph 6 Lesson-Learned	Comment added to "*Not only in terms of changes made to the institutions*" "*I remember also that legal review reform was implemented*"	After "Not only in terms of changes made to the institutions, but also the resulting frequent turn-over of high-level officials", added the following "legal reform processes which followed as a result of these (halting or slow-down of legislative approval procedures)**,** changes in national priorities, lack of project ownership, changing arrangements on the project's national implementation partners and their roles."
16	**3.1.8 Management** Arrangements – 5th paragraph – Row 1	On the report's text: "*Ministry of Energy and Industry (MoEI)"* The following comment was received: "*There was resistance from State Environmental Agency to let Ministry of Energy lead the project. It took time to resolve it, and some assessment on how this had influenced the project from being more successful from, for example, PCB control framework would be interesting to note. Kumar may know this situation better.*"	The following text was added "*In the project's PIF and PPG documents, initially the State Agency for Environment Protection and Forestry (SAEPF) had been identified as the project's executing partner. During the project's PPG phase however it was decided to change the project's executing/implementing partners to be the Ministry of Energy and Industry (MoEI) and the State Inspectorate for Energy and Gas (SIEG) considering most potential PCB holders were (in)-directly reporting to the MoEI.* *When the project was approved by the GEF and was to be launched, there was some hesitation from the State Agency for Environmental Protection and Forestry (SAEPF) to allow the Ministry of Energy lead the project. This took time to resolve, and delayed the launch of the project's start. In retrospect, it could be argued that carving out a more specific role of the SAEPF in the project's implementation (e.g. on getting the PCB regulatory framework developed and approved), might have helped to smooth and speed up project implementation.*"
19	1st bullet point	On the text "*If this funding would not have been allocated to SAEPF, it could have been used for PCB disposal (even though still not sufficient funding would have been available for disposal)*" The following comment was made "*Decision on this lab was taken along with the decision to basically store*	Changed bullet point to "Due to the small quantity of PCBs identified at that particular time and the challenges faced in exporting PCBs, the Project Board meeting of 11 December 2013 decided to remove the disposal component of the project, focus on the PCB storage construction instead and built the capacity of an additional laboratory (the State Agency for

		(safeguard) wastes since no export was considered possible due to cost issues. *Latter related storehouse did not materialize later on in fact*."	Environmental Protection (SAEPF)) through the provision of a gas chromatograph for PCB analysis in oil to function as a reference laboratory for SES. This latter activity was originally not taken up in the project. Costs associated with this support were in the range of 98,738.00 US$. At the time of the TE the equipment was unfortunately not yet operational as SEAPF has not yet been able to allocate a proper space for its installation and operation. The evaluator is of the opinion that it would have been prudent to have delayed the decision to support SAEPF until after the final results of the PCB transformer oil inventory would have become available."
19	1st bullet point. Row 7 - 9	On the report's text: "*At the time of the TE the equipment was unfortunately not yet operational as SEAPF has not yet been able to allocate a proper space for its installation and operation."* The folowing comment was received: "*Decision on this lab was taken along with the decision to basically store (safeguard) wastes since no export was considered possible due to cost issues.* *Latter related storehouse did not materialize*"	Comment was not addressed as it doesn't provide additional insight into why this decision was taken.
19	2nd bullet point	On the following text "The decision that was taken to reduce the tonnes of PCB equipment and waste that would be disposed by the project (from 50 tonnes to 34 tonnes). However lowering the tonnage of PCB to be disposed of meant that there were no economies of scale when exporting waste by plane turned out to be the only option (plane at maximum capacity is ~ 80 tonnes of PCBs). On the other hand, at the time only 34 tonnes of high content PCB containing equipment had been identified as the results of the PCB analysis were not in yet, hence the project would not have been able to identify additional high content PCB equipment." The following comment was made "*With 18,000 USD/ton it is only the 34 tons which could have been moved by plane, provided that budget of US$ 600,000 was in place which was not.*	Bullet point "*The decision that was taken to reduce the tonnes of PCB equipment and waste that would be disposed by the project (from 50 tonnes to 34 tonnes). However lowering the tonnage of PCB to be disposed of meant that there were no economies of scale when exporting waste by plane turned out to be the only option (plane at maximum capacity is ~ 80 tonnes of PCBs). On the other hand, at the time only 34 tonnes of high content PCB containing equipment had been identified as the results of the PCB analysis were not in yet, hence the project would not have been able to identify additional high content PCB equipment.*" Replaced by "*Due to the small quantity of PCBs identified (at that time in the project) and the challenges faced in exporting PCBs, the PB meeting of 11 December 2013 decided to remove the disposal component of the project and focus on the PCB storage construction instead. When it was*

		Plus, all this equipment was (is) online, though we heard commitments from NESK to disconnect it and have it removed in case UNDP proves (!) it is PCB equipment – this discussion with NESK continued for around 1.5 years or longer"	*ultimately confirmed that NESK owned 579 PCB capacitors (34 tonnes)[2], the project decided at the PB meeting of June 2014 to launch an international tender for the export of 34 tonnes of PCB capacitors (the SES laboratory had not yet been able to complete the analysis of the 52 samples of PCB transformer oil), to i) obtain information on the costs for export/disposal and decide whether the project could accommodate such costs; ii) potentially make use of the opportunity to jointly export PCB waste from Kyrgyzstan with PCB waste from Kazakhstan. Unfortunately even the lowest cost estimate (451,500 USD for export via Kazakhstan) proved too high to be covered by remaining project funds*."
21	Table 10 Row 2 Last column Bullet point to	On the following text "*When the project ran out of PMC costs (due to extensions), the project started using the HCWM project as co- financing"* Received the following comment "*Maybe co-sharing costs? Otherwise it sounds as subsidy*"	Bullet point was changed to "*As a result of the extensions the project was bound to run out of Project Management Costs (PMCs). In line with a UNDP wide approach to provide joint project support functions and to save PMC costs, a chemicals portfolio coordinator was appointed who supported the implementation of both the PCB and the HCWM project (In the period 1 May, 2015 until 30 June, 2015, 50% of the coordinator costs were charged against the PCB project budget). UNDP oversight was provided by the PMU EE Dimension Chief, free of charge*"
Page 22	Table 10; #8; 2nd Bullet point; Row 4	Change "mean time" into "meantime"	Change accepted.
Page 24	Paragraph 5; Row 3	Comment on "*Czech Trust Fund"* Which was "*This project was particularly interesting on lab training*"	Added to **"(an Emergency Trust Fund through a UNDP Special Fund**" the following text "**with a particular focus on laboratory training)**"
Page 25	Paragraph 4; "Observation/ Recommendation"	Comment on the following text "*If ever a second phase PCB project would be developed, it would be highly recommended that co-financing letters from the main PCB holders would be obtained, to ensure that sufficient PCB waste can be collected/disposed by the project."* The following comment was received "*Currently it is 1-to-4 ratio which will require more resources from co-finance sources*"	The following text was added at the end of the paragraph "*In particular in light of the fact that the official co-financing ratio of GEF financing is nowadays 1:6 while for Chemicals and Waste projects a ratio of minimum 1:4 would be expected*"

[2] The project had informed NESK that based on labeling and documentation these PCB capacitors would contain PCBs. NESK in turn had 2 out-of-service capacitors analyzed in a laboratory in Kazakhstan. Test results indicated that indeed this type of capacitor contained PCBs.

Page 25	Paragraph 5 "Recommendation"	On the following text "*Recommendation: Ensure, through a UNDP SM meeting with the GEF OFP and SAEPF, that they will do their utmost to refurbish the laboratory room and prepare it for installation of the GC*" Received the following comment "*This is very important to complete this activity as SAEPF requested this lab, but now not in a position to use*"	The following text was added at the end of the paragraph "*In particular in light of the fact that SAEPF requested this equipment and in not in a position to use it*"
26	Paragraph 5 "Conclusion" 2nd and 3rd row	On the following text "until it was clear the PCB disposal component was not going to happen" Received the following comment "This decision was taken when it was decided to go for PCB storage option"	Conclusion was changed to the following "*Conclusion*: In retrospect, the evaluator is of the opinion, that the purchase of the Gas Chromatograph for SAEPF should either have been postponed until later in the project or not taken place at all. One of the reasons for this is that this type of support to SAEPF was initially not foreseen as part of the project. Secondly at the time of the TE, the equipment was not installed/functional and the capacity of SAEPF was too low to undertake quality PCB analysis. It was obvious that the laboratory of the SAEPF was not ready for the equipment's receipt and operation. Finally, even though it is well understood that the project agreed to drop the disposal component from the project in December 2013, at which time it was decided to focus on PCB storage and support to SAEPF, the evaluator feels it would have been more sensible to wait with allocating substantial funds to SAEPF, to allow for funds to remain available, either for upcoming expenses related to storage (or even disposal) or return to the donor"
28	Section 3.2.6 2nd paragraph 1st & 2nd row	Regarding the following text "The evaluator is of the opinion that because the project was being implemented using Direct Implementation Modality (DIM)" The following comment was received "This modality was mandatory for Kyrgyzstan during revolutionary events as I understood it. Kumar may be able to explain"	The paragraph was changed to the following: "*The evaluator is of the opinion that because the project was being implemented using the Direct Implementation Modality (DIM), which was the mandatory implementation modality for UNDP after the 2010 revolution, many partners regarded the project as a UNDP project, not as a MoEI (after the MTE) or SIEG project (before the MTE). As a result their commitment/project ownership might have been less as compared to when they would have implemented the project themselves. Even though this was outside of the control of the project, it tried to counter this effect by ensuring that all major project decisions, such as the signing off of the Annual Work Plans (AWP) were assumed by MoEI and major project*

			decisions were being approved by the Project Board"
30	3rd paragraph Major delays 3rd row	Regarding the following text "*when the TE took place results were not entirely clear. It is a bit unclear to the evaluator why the inventory took so incredibly long, political unrest played a role, frequent government changes/turn-over as well legislation not being adopted, but even considering those circumstances, the project should have pushed the inventory much harder. Because the inventory phase had taken so long this inevitably prolonged the project, which had to be extended twice*" The following comment was received "*In discussions with last project manager it appeared that for instance NESK was not willing to talk on the matter of inventory for a long time for the reason of lacking legislative control framework and confidence that they did not have PCB equipment on record – it was very challenging to convince NESK to have more detailed study of their equipment to prove inventory*"	The paragraph was changed to "**Major delays**: The project's major delays appear to have been the result of a PCB inventory, which took almost the entire duration of the project. The inventory results from the NIP process were of low quality to start with, but even when the TE took place inventory results were not entirely clear. Reasons for which the inventory took very long include the political unrests (which prevented access to certain regions in the country to carry out inspections), frequent government changes/turn-over indirectly resulting in challenges to get legislation approved (cancellation of orders, delay in approval processes or requests for amendments, and the like), the absence of any capacity for PCB analysis in the country, and the significant time it took to convince large equipment holders to partake in detailed studies of their equipment and to accept inventory results. Reasons for the reluctance on the part of holders included that no legislation was in place which made an inventory compulsory; many PCB holders found themselves in precarious financial situation and did not have the financial means to phase-out PCB containing equipment; many holders thought they did not have PCB containing equipment and if they had such equipment the problem was not significant enough to warrant the investments for their phase-out. Because the inventory phase had taken so long this inevitably prolonged the project, which had to be extended twice, and in turn resulted in financial consequences. Because the results of the inventory became available so late, this also negatively impacted disposal and storage related activities, and made decision-making hard, slow and late."
31	Table 14: Row 1, Target	Regarding the report's text: "*Functional regulatory regime*" The following comment was received: "*In my opinion the project was able to draft regulations (which is in the project's capacity to control) but was not able to have them approved as from that point on the Government has been in charge and only facilitation from UNDP was possible.* *However, on the other hand, if targets*	Comment was not addressed in agreement with CRI. The main reason being that the project's target states a "functional regulatory regime", and the evaluator is required to assess the project against the PRF. However at the end of the project, there was no functional regulatory regime, it is for this reason related project interventions were evaluated as MU.

		were set as to "have regulations approved and in place", this is the correct rating."	
33	3rd row last column of table	Comment on the following text "*250 rapid PCB screening test kits (re-agents) were purchased as well as 10 express analysers (intended for 2 inspectorates, customs, Dept. of Sanitation and NESK).*" Comment: "*Does it mean inventory will continue when legislation is approved?*" UNDP PMU responded "*Yes, as recommended by TE*"	Comments removed as no changes were proposed to the text.
36	Last row ("outcome 3") Last column 1st bullet 3rd row	Comment on the following text "a gas chromatograph by the PCB project" Comment: "Still not clear why one was liquid and the other one gas" Reply from PMU: changed "liquid" into "gas"	Comments addressed by reply from PMU.
39	Table 2nd row Last column Last bullet point 2nd row	On "*641,500 US$*" Received the following comment: "*This was already above available balance as of end of 2012 it appears* *If in Kazakhstan it was 7,500/ton and 2-times above the original estimate – it was seen still as OK price, but with US$ 18,000/ton in option i) for 34 tons, this is indeed too high, but the only way of disposing in current circumstances.*"	The bullet point was changed to the following: "*In August 2014 an international tender was launched. 4 companies participated in the tender. Polyeco was the cheapest and provided two quotes i) 641,500 US$ by plane from Bishkek to France (18,900 US$/tonne) and ii) 451,500 US$ by rail to Kazakhstan (13,279 US$/tonne), and then by plane to France (PCB waste to be combined with Kazakhstan's PCB waste). At the time the cost estimates for transport and disposal came in the project had only 310,000 US$ left therefore none of the options proposed by Tredi was financially possible. The Project Board also deemed that a cost effectiveness of 13,300 US$/tonne was unsustainable.*"
39	Disposal of 50 MT of PCB stockpiles by export to a qualified disposal facility by 2013. Bullet points in the column: "**STATUS OF DELIVERY AT TERMINAL EVALUATION"**	On the reports' text: ▪ 2 PCB containing TNZ Micro transformers have been handed over to the Ministry of Energy (totalling 5 tonnes < 50 ppm) through a signed agreement, but remain on the premises of the holder. ▪ 3.5 tonnes of PCB waste oil (< 50 ppm) have been handed over to the Ministry of Energy, through a signed agreement, but remain on the premises of the holder. Comment received: "*In initial PIRs this was considered as PCB waste – it looks*	The text was changed in the following way: ▪ "2 TNZ Micro transformers have been handed over to the Ministry of Energy through a signed agreement, but remain on the premises of the holder. **Initially the project might have qualified these 2 TNZ transformers as PCB containing, while later on it was confirmed by SES analysis that PCB content was < 50 ppm.** ▪ 3.5 tonnes of transformer waste oil have been handed over to the Ministry of Energy, through a signed agreement, but remain on the premises of the holder. **Initially the project might have**

		that it was re-classifed into non-PCB after lab analysis"	**qualified this waste oil as potentially PCB containing, while later on it was confirmed by SES analysis that PCB content was < 50 ppm.**
41	1st paragraph Section 1a.1	Regarding the text "The project had to build on a baseline that was not very reliable (see explanation in section 2.2). As such, the project had to put considerable effort into conducting a more detailed inventory. This effort was made during the PPG phase (PPG phase inventory results are presented in Table 15), and subsequently by the MSP project itself. " Received the following comment "Perhaps this is the recommendation to GEF STAP as well that in cases on strong uncertainty on inventory the best is to have a pre-investment MSP project on inventory before going into PCB disposal"	A recommendation was added "*In the situation that there exists a lot of uncertainty about the NIP inventory results, it might be best to initially implement a pre-investment MSP project solely focusing on the inventory before developing and implementing a follow-up FSP PCB disposal intervention.*"
43	"**Observations**" 1st bullet	Regarding the word "**sale**" The following comment was received " "*For scrapping?*"	The text "**and sale**" was removed as the evaluator doesn't know if the equipment was illegally sold or illegally disposed of.
43	Table 15.	Related to the "*TOTAL*", the following comment was received: "*A combined inventory could be useful to have. Or is the one at TE stage?*"	The final results of the 2nd phase of the PCB inventory has been included in Annex XIV of the TE report.
44	Paragraph 5 "Rating Outcome 1 (a)" Row 7	Changed "*accrediated*" to "*accredited*"	Change accepted.
49	Last paragraph on page	Related to the report's text: "To date the project has been unsuccessful at putting in place legal measures allowing unrestricted regulatory access to information and locations that may have PCBs wastes, stockpiles, PCB containing equipment) and site contamination" The following comment was received: "It was mentioned before on page 40 (in yellow) that there was unrestricted access through energy inspection, but of course this is not the full required legislation"	Comment was not addressed in agreement with CRI, because the observation made by the TE report was correct – there were no inspection provisions in place at the time of the TE.
51	Paragraph 7; Row 3	Change "Shomatsu" with "Shimadzu"	Change accepted.
52	Para 5; "SAEPF"; Row 2	Related to the word "**SAEPF**" received the following comment "*Shout it be proposed that SAEPF also goes through accreditation process and international testing?*"	The following text was added to the recommendation: "*Once basic capacity is in place, the laboratory of the SAEPF could aim for national accreditation and participate in an international reference programme.*"

55	1st bullet point Row 6 – 7	Related to the following text; "*The international consultant engaged by FAO indicated that it POPs pesticides and PCBs could not be stored in the same storage facility.*" the following comment was received: "*Interestingly, FAO and UNEP wanted to partner with UNDP storage plans.*"	Added the following text: "*Initially the FAO and UNEP programmes indicated that they wanted to partner with UNDP on storage facilities, while later on an*"
57	Table 17	Evaluator ask the following question regarding to the number of bids received: "*Question for PMU – I thought 4 companies participated in the bid, why are only 2 reflected here?*" The following answer was received: "*Veolia and SITA were disqualified by assigned international expert on incomplete paper work and in case of Veolia on lack of explanation of the equipment disassembly and cleaning process*".	Two rows in the table were added: Row 3: 3. **Veolia -** Disqualified from the bidding because of the submission of incomplete paper work Row 4: 4. **SITA -** Disqualified from the bidding due to absence of an explanation on the equipment disassembly and cleaning process
57	Paragraph 5 Row 6	On the following text "*worked out, considering the Kazakhstan PCB project seemed*", the following comment was received "*Final export with two more planes took place in June 2015*"	A footnote was added which said: "Ultimately, final export of the 80 tonnes (two planes) took place in June 2015"
58	Paragraph 3; "Observation"; Row 2	On the following text: "*tender was concluded in November 2014*" The following comment was received: "*It was an open-ended tender with 3 options as quantities of waste to basically save time with tender after inventory was known, if I remember it correctly.*"	The text was changed to the following: "*Observation:* The results of the PCB oil analysis (second phase of the inventory) became available in February 2015, while the open ended tender procedures had been concluded in November 2014. The Project Board took the decision to go ahead with an open tender to save time later on and to obtain an idea of the costs for transport and disposal of 34 tonnes of PCB capacitors, which would help in their decision whether the project had sufficient funds left to cover transport and disposal costs. At the same Project Board meeting the decision was taken to go ahead with the second phase of the inventory."
63	Section on **Efficiency**	Regarding the project's efficiency the following comment was received: "*Most probably this even cannot be rated as the project has not delivered on GEBs – disposal of PCBs*"	In agreement with the CRI this comment was not addressed. Reason for this is that even though the project doesn not achieve any GEBs, it's still compulsary for the TE to report on project efficiency.
66	Table 20, 1st row. 2nd column, 3rd row in text	Regarding the text: "technical regulations on PCBs" the following comment was received: "Basically this is political level document, and then we had Ministry of Energy's instructions on PCB inspections, and not normative acts in between".	In agreement with the CRI this comment was not addressed.

Page Number	Line number	Comments received from PMU on 14 October 2015	Response from TE Team
vii	Para 4; Row 2	Change "**February 2010 – June 2014**" To "**May 2010 – June 2014**"	Change accepted
ix	Bullet point 6;	Comment was made on the statement made that "**The inventory has identified ~ 34% (34 tonnes) of the total amount of PCB estimated to be present in the country (~ 100 tonnes)"** Comment: "Uncertain preliminary identified volume of PCB contaminated equipment in the country at the beginning of the project was above 50 tons (according to NIP)"	AS various sources reported very different amounts of PCB presenti n the country (e.g. the NIP (2006) states that there was 21 tonnes of PCB oil and the PPG phase estimate 68.3 tonnes of oil), it was decided to remove this statement, as at the time of the TE we really have no good estimates for the amount of PCB equipment and waste that is held by private companies not surveyed as part of the project.
ix	Bullet point 10; Row 3 & 4	Change "**The project provided SES with a Liquid Chromatograph**" to "**The project provided SES with a Gas Chromatograph and SAEPF with a Gas Chromatograph**"	Change accepted
ix	Bullet point 10; Row 5	Replaced "**Shomatsu**" with "**Shimadzu**"	Change accepted
x	Table 3; Row 2; last column; Row 3	Comment: "Not only, let's say additionally"	The word "only" was removed.
xiv	LESSONS-LEARNED	Comment: "*Another lessons learned that laboratory capacity should be in place (staff, equipment), before the project start in regards to speed-up the process of inventory and justify the inventory results (accredited lab for PCB). Gas chromatograph project bought to SES at the 2012, staff wasn't able to identify and justify the PCB in oils and built capacity for analyses took a time too*"	An additional Lesson-Learned was added, which reads: "*Preferably, laboratory capacity (staff, equipment) would be in place, before the project starts in order to ensure a speedy inventory process and allow for cross-referencing of inventory results. As part of the Kyrgyzstan PCB project a gas chromatograph was installed at SES in 2012, after which capacity building needed to take place to ensure staff was able to analyze PCB levels in oils. This took a significant amount of time and delayed other project activities*"
xvi	**Inventory**: Row 12/13	Comment, reated to "*the majority of private and semi-private entities did not participate*" Comment received "*It was participated in second round of inventory, we've sent a table, where indicated four private and semi-private companies*"	A footnote was placed which read "*as well as four (4) private and semi-private companies*"
xvi	4th paragraph; Row 1/2	Regarding the text: "*Overall it was felt by the Evaluator that the project took too long to complete the inventory*" The following comment was received: "*As mentioned before, if ADB project was not started the EIA on 2014 …National grid*	This comment was not incorporate here, but elsewhere in the ES.

		company will never to show the PCB contained equipment, so as before annually they reported to World Trade Organization (KR is part of this) and ME&I that company do not have PCB equipment"	
xvii	Row 14	Comment: "*Due to entrance to CU most legislation were lost effect and was a need to adjust all legislations according to standard and norms of CU (the same as new country would like to enter to EU)*"	After "*Finally the recent accession of Kyrgyzstan to the Customs Union (12 July 2015) resulted in a ban on the approval of new regulations, which has been in place since August/September 2014*" the following was added "*As a result of Kyrgyzstan's accession to the CU, most existing laws lost effect and required to be adjusted to the CU's standards and norms*"
xvii	Row 19	Comment: "Regarding the technical regulations ME&I consulted with Ministry of Economy who currently remove a ban for approval of technical regulations. In this regards, ME&I is started process for approval (circulation among governmental agencies)."	As this information became available long after the TE evaluation had taken place and after the first draft of the TE report had already been prepared, the following text was removed: "and the evaluator felt that these regulations would not be approved any time soon", and the following footnote was added: "On 13 October 2015, after the evaluation had been concluded and the first draft of the TE report had been issued in September 2015, the PMU informed the evaluator that ME&I consulted with the Ministry of Economy which has removed the ban on the approval of technical regulations. As a result of this, ME&I is relaunching the process for approval of the technical regulations (circulation among governmental agencies)"
xviii	Row 17	Comment: "Majority of equipment is online, I understand"	Inserted after "**rather than being**" the following text "**removed from the grid and subsequently**"
xviii	Row 27	Comment: "Kazakhstan was around 7,000 USD"	Inserted after "**the Kyrgyzstan PCB project faced the same challenges as the Kazakhstan PCB project, which exported the country's high content PCB oils and capacitors by plane**" the following "**, which came to approximately 7,000 US/tonne**"
xix	Row 20/21	Comment: "This was a request from SAEPF – but looks without true commitment behind it"	"**but decided upon during a PB meeting in September 2014**" was changed into "**but was decided upon during a PB meeting in September 2014 following a strong request from SAEPF**"
6	Paragraph 5; Row 4/5	Change "**February 2010 – June 2014**" To "**May 2010 – June 2014**"	Change accepted
12	Section 3.1.3; Bullet Point **Obsolete POPs pesticides project**	Comment 1: "*This regional project in Kyrgyzstan was devoted only to inventory of pesticides in Jalal-Alab oblast*"	The original text: "A regional project (Kyrgyzstan, Tajikistan, and Uzbekistan) financed by the Canadian POPs Trust Fund through the World Bank, and

		Comment 2: "*For the PMU to address - Can the PMU or Ekois provide the missing info? It was not above mentioned regional project it was another supported by Holland Government, and implemented by Milleukontakt from 2006-2009, and repack and temporarily store obsolete pesticides approximately 90 tonne*"	implemented by the international NGO "Milleukontakt" and the local NGO "Ekois", supported the three (3) counties in regulatory development, contaminated site identification and infrastructure development. The project was implemented in Kyrgyzstan from xxxx - xxxx. The project managed to inventorize, repack and temporarily store obsolete pesticides at xxxxxxxxx, including POPs" was replaced with "**Obsolete POPs pesticides projects**. A regional project (Kyrgyzstan, Tajikistan, and Uzbekistan) financed by the Canadian POPs Trust Fund through the World Bank, supported an inventory of pesticides in the Jalal-Alab oblast. A second pesticides project, supported by the international NGO "Milleukontakt", the local NGO "Ekois", with financing provided by the Dutch Government, facilitated the repacking and temporarily storage of approximately 90 tonnes of obsolete pesticides."
15	Section 3.1.7. Bullet point 6 Row 4	Replaced "**xx**" with "**3**"	Change accepted
18	Table 9 Final Row and Column 1st bullet point	Comment "**Kumar is already addressed, he mentioned that after MTE conclusions such decision was taken**" related to the text "**Change was made during the project board meeting of xxxxxxx."**	"**xxxxxxxx**" was changed into "**11 December 2013**"
19	2nd bullet point	On the following text "*The decision that was taken to reduce the tonnes of PCB equipment and waste that would be disposed by the project (from 50 tonnes to 34 tonnes). However lowering the tonnage of PCB to be disposed of meant that there were no economies of scale when exporting waste by plane turned out to be the only option (plane at maximum capacity is ~ 80 tonnes of PCBs). On the other hand, at the time only 34 tonnes of high content PCB containing equipment had been identified as the results of the PCB analysis were not in yet, hence the project would not have been able to identify additional high content PCB equipment.*" The following comment was made "*It wasn't take a decision to reduce tonnes, at that time only 34 tonnes were revealed. The*	Bullet point "*The decision that was taken to reduce the tonnes of PCB equipment and waste that would be disposed by the project (from 50 tonnes to 34 tonnes). However lowering the tonnage of PCB to be disposed of meant that there were no economies of scale when exporting waste by plane turned out to be the only option (plane at maximum capacity is ~ 80 tonnes of PCBs). On the other hand, at the time only 34 tonnes of high content PCB containing equipment had been identified as the results of the PCB analysis were not in yet, hence the project would not have been able to identify additional high content PCB equipment.*" Replaced by "*Due to the small quantity of PCBs identified (at that time in the*

		amount for 20 tonnes were reduced in OVI based on findings of MTE."	*project) and the challenges faced in exporting PCBs, the PB meeting of 11 December 2013 decided to remove the disposal component of the project and focus on the PCB storage construction instead. When it was ultimately confirmed that NESK owned 579 PCB capacitors (34 tonnes)[3], the project decided at the PB meeting of June 2014 to launch an international tender for the export of 34 tonnes of PCB capacitors (the SES laboratory had not yet been able to complete the analysis of the 52 samples of PCB transformer oil), to i) obtain information on the costs for export/disposal and decide whether the project could accommodate such costs; ii) potentially make use of the opportunity to jointly export PCB waste from Kyrgyzstan with PCB waste from Kazakhstan. Unfortunately even the lowest cost estimate (451,500 USD for export via Kazakhstan) proved too high to be covered by remaining project funds*."
21	Table 10 Row 2 Last column Bullet point to	On the following text "*When the project ran out of PMC costs (due to extensions), the project started using the HCWM project as co- financing. For example, a Chemicals portfolio coordinator was appointed who supported the implementation of both the PCB and the HCWM project (In the period 1 May, 2015 until 30 June, 2015, 50% of the coordinator costs were charged against the PCB project budget). UDP oversight was provided by the PMU EE Dimension Chief, free of charge*" Received the following comment "*It was a global UNDP politic for cost-effectiveness and reorganization where was decided to hire people not for stand-alone project, but on portfolio (Energy, Chemical and etc.)*"	Bullet point was changed to "*As a result of the extensions the project was bound to run out of Project Management Costs (PMCs). In line with a UNDP wide approach to provide joint project support functions and to save PMC costs, a chemicals portfolio coordinator was appointed who supported the implementation of both the PCB and the HCWM project (In the period 1 May, 2015 until 30 June, 2015, 50% of the coordinator costs were charged against the PCB project budget). UDP oversight was provided by the PMU EE Dimension Chief, free of charge*"
26	Paragraph 5 "Conclusion" 2nd and 3rd row	On the following text "until it was clear the PCB disposal component was not going to happen" Received the following comment "Yes it was taken a decision, after tender on disposal, that it will occur"	Conclusion was changed to the following "*Conclusion*: In retrospect, the evaluator is of the opinion, that the purchase of the Gas Chromatograph for SAEPF should either have been postponed until later in the project or not taken place at all. One of the reasons for this is that this type of support to SAEPF was initially not foreseen as part of the project. Secondly at the time of the TE, the equipment was

[3] The project had informed NESK that based on labeling and documentation these PCB capacitors would contain PCBs. NESK in turn had 2 out-of-service capacitors analyzed in a laboratory in Kazakhstan. Test results indicated that indeed this type of capacitor contained PCBs.

			not installed/functional and the capacity of SAEPF was too low to undertake quality PCB analysis. It was obvious that the laboratory of the SAEPF was not ready for the equipment's receipt and operation. Finally, even though it is well understood that the project agreed to drop the disposal component from the project in December 2013, at which time it was decided to focus on PCB storage and support to SAEPF, the evaluator feels it would have been more sensible to wait with allocating substantial funds to SAEPF, to allow for funds to remain available, either for upcoming expenses related to storage (or even disposal) or return to the donor"
28	Section 3.2.6 2nd paragraph 1st & 2nd row	Regarding the following text "The evaluator is of the opinion that because the project was being implemented using Direct Implementation Modality (DIM)" The following comment was received "Yes it was mandatory after 2010 revolution, and was related to rapid turn-over of decision makers and rapid governmental structure changes"	The paragraph was changed to the following: "*The evaluator is of the opinion that because the project was being implemented using the Direct Implementation Modality (DIM), which was the mandatory implementation modality for UNDP after the 2010 revolution, many partners regarded the project as a UNDP project, not as a MoEI (after the MTE) or SIEG project (before the MTE). As a result their commitment/project ownership might have been less as compared to when they would have implemented the project themselves. Even though this was outside of the control of the project, it tried to counter this effect by ensuring that all major project decisions, such as the signing off of the Annual Work Plans (AWP) were assumed by MoEI and major project decisions were being approved by the Project Board*"
30	3rd paragraph Major delays 3rd row	Regarding the following text "when the TE took place results were not entirely clear. It is a bit unclear to the evaluator why the inventory took so incredibly long, political unrest played a role, frequent government changes/turn-over as well legislation not being adopted, but even considering those circumstances, the project should have pushed the inventory much harder. Because the inventory phase had taken so long this inevitably prolonged the project, which had to be extended twice" The following comment was received "Additionally, to Maksim words, the lab capacity was zero in the country"	The paragraph was changed to "**Major delays**: The project's major delays appear to have been the result of a PCB inventory, which took almost the entire duration of the project. The inventory results from the NIP process were of low quality to start with, but even when the TE took place inventory results were not entirely clear. Reasons for which the inventory took very long include the political unrests (which prevented access to certain regions in the country to carry out inspections), frequent government changes/turn-over indirectly resulting in challenges to get legislation approved (cancellation of orders, delay in approval processes or requests for amendments, and the like), the absence

			of any capacity for PCB analysis in the country, and the significant time it took to convince large equipment holders to partake in detailed studies of their equipment and to accept inventory results. Reasons for the reluctance on the part of holders included that no legislation was in place which made an inventory compulsory; many PCB holders found themselves in precarious financial situation and did not have the financial means to phase-out PCB containing equipment; many holders thought they did not have PCB containing equipment and if they had such equipment the problem was not significant enough to warrant the investments for their phase-out. Because the inventory phase had taken so long this inevitably prolonged the project, which had to be extended twice, and in turn resulted in financial consequences. Because the results of the inventory became available so late, this also negatively impacted disposal and storage related activities, and made decision-making hard, slow and late."
32	Last column of table 2nd bulletp oint	Regarding the following text "Technical instruction on "*Inspections of Entities handling PCB Equipment*" adopted by an internal Order (Order #1) of the State Agency for Environment Protection and Forestry." The following comment was received "it was approved by Januray 2012. According to Technical regulations "*On electrical equipment*" and "*On secure maintenance of the electrical equipment and devices*" inspections will do by commission with involvement of owner, SAEPF and MoH"	Added "**January 2012**" after "**Order #1**"
44	2nd paragraph section 1a.3 Row 4	Changed "54" into "52"	Change accepted.
45	4th paragraph	On the text "However, during the TE the evaluator was unable to easily find/locate the materials prepared by the project on http://www.caresd.net " Received the comment "Please put in search window in Russian - ПХД в Кыргызстане»	Paragraph 4 was deleted and paragraph 3 was changed to "*During the Inception Workshop it was decided not to create an additional web-resource due to the fact that with completion of project activities such web-sites are usually not updated and, as a result, closed. Instead it was decided to store the information on the project's activities at the main www.caresd.net regional environmental information portal (by putting in the search term in Russian "ПХД в Кыргызстане»), which covers Central*

			Asian countries"
58	Paragraph 3; "Observation"; Row 2	On the following text: "*tender was concluded in November 2014*" The following comment was received: "*It was PB conclusion to make tender for 34 tonne on pilot base, and in same PB meeting was an conclusion to continue with second round inventory*"	The text was changed to the following: "*Observation:* The results of the PCB oil analysis (second phase of the inventory) became available in February 2015, while the open ended tender procedures had been concluded in November 2014. The Project Board took the decision to go ahead with an open tender to save time later on and to obtain an idea of the costs for transport and disposal of 34 tonnes of PCB capacitors, which would help in their decision whether the project had sufficient funds left to cover transport and disposal costs. At the same Project Board meeting the decision was taken to go ahead with the second phase of the inventory."

Page Number	Line number	Comments received from the UNDP CO on 14 October 2015	Response from TE Team
xii		Executive summary is too long. Project results and tables on conclusions can be moved to the text further but please shorten.	ES has been significantly shortened
xii	IMMEDIATE RECOMMENDATIONS; Recommentation #1	Comment: "**This is rather step that is done naturally upon completion of the project. Is it necessary to spell out here?**"	The recommendation was kept as originally formulated, as this is not merily a standard letter to the GEF but one that elaborates on the next steps the Governement of Kyrgyzstan anticipates to undertake and for which it would like returned funds to be allocated towards.
3	Paragraph: **Evaluation Matrix**; Row 3	Comment: "Numbering of the annexes needs revision. This is not logframe but code of conduct"	"**Annex V**" was changed to "**Annex VI**"
3	Paragraph: **Documentation Review**; Row 1	Comment: "Why team? May be copied and pasted from ME?"	Changed "**TE Team**" to "**evaluator**"
3	Paragraph: **Documentation Review**; Row 4	Comment: "Doesn't match"	No changes made as numbering as Annex was correct.
4	Paragraph: **Achievement Rating**; Row 1	Comment: "Again error"	Changed "**TE Team**" to "**evaluator**"
4	Paragraph: **Sustainability Rating**; Row 1	Comment: "same"	Changed "**TE Team**" to "**evaluator**"
14	Section 3.1.6 UNDP	Replaced "Project **Implementation** Unit" with "Project	Change accepted.

	Compoarative Advantage 2nd paragraph, Row 1	**Management** Unit”	