

STAP guidelines for screening GEF projects

Part I: Project Information	Response
GEF ID	10546
Project Title	"Plastik Sulit": Accelerating Circular Economy for Difficult Plastics in Indonesia
Date of Screening	18 May 2020
STAP member screener	Jamidu Katima
STAP secretariat screener	Sunday Leonard
STAP Rating	Concur
STAP Overall Assessment of the project proposal	<p>STAP welcomes the ADB project on "Plastik Sulit - accelerating circular economy for difficult plastics in Indonesia." The project aims to reduce plastic pollution and support Indonesia's transition to a circular plastics economy through a multi-stakeholder value chain approach demonstrated at the city level. The project will enable Indonesia to establish a functional circular system for plastics and create a circular economy business hub for problematic plastics.</p> <p>STAP concurs with this project and has the following comments:</p> <ul style="list-style-type: none"> • This is a well-prepared project that intends to address the whole aspects of a circular economy in the plastic sector. The scope is broad and ambitious, but achievable if well implemented. To achieve a holistic and sustainable result in the plastic sector, it is essential that the project components cover all of the three strategies for achieving a plastic circular economy transformation as presented on page 15 of the PIF, that is: focusing on fundamental redesign and innovation, encouraging significant reuse, and promoting recycling in the plastic. We wish to refer the project proponent to STAP's publications on plastics and the circular economy (https://www.stapgef.org/plastics-and-circular-economy) and Circle Economy's 7 key elements of the circular economy (https://www.circle-economy.com/circular-economy/7-key-elements), which can be useful resources as the project is developed further. • Finance is a significant barrier to implementing the circular economy. This was recognized in the project proposal. We understand that the finance roadmap and mechanisms for the project will be further developed. The subject of financing the circular economy has been of interest in the private, public, and academic arena, and STAP wishes to refer the project proponents to some relevant resources on the topic, including the EIB Circular Economy Guide (https://circulareconomy.europa.eu/platform/sites/default/files/the_eib_circular_economy_guide.pdf); Goovaerts et al. 2018. <i>Financing innovation and the circular economy</i> (https://link.springer.com/content/pdf/10.1007%2F978-3-319-66981-6_47.pdf); Circular economy finance guidelines by ING (https://www.ing.com/web/file?uuid=bb60f278-9508-440f-b5f5-f4568f50a789&owner=b03bc017-e0db-4b5d-abbf-003b12934429&contentid=43933). • The project has the potential to generate global environmental benefits beyond the chemical and waste and international waters focal area. For example, climate change mitigation benefits

	<p>through the avoidance of greenhouse emissions from the burning of plastics. The increase in reuse and recycling of plastics expected from the project should also mitigate greenhouse gas emissions associated with plastic production and supply chain. This climate benefit was rightly noted on page 40 under "global environmental benefits" but was not included in the estimation of expected GEBs from the project. We recommend that a detailed analysis of the co-benefits should be carried out at the PPG stage and the final interventions designed in such a way to maximize them.</p> <ul style="list-style-type: none"> • We note that Annex B, which provides a detailed worksheet of the global environmental benefits, is missing. Similarly, Annex D, which provides baseline information on ongoing waste management and circular economy initiatives in Indonesia and Annex E on further stakeholders are also missing. • Figure 6 presents a preliminary theory of change, which includes drivers, problems, inputs, outcomes, and goals. This is very good. However, it is recommended that the theory of change should be modified to include key assumptions, causal and alternative pathways. Please see STAP's theory of change primer for further guidance (https://stapgef.org/sites/default/files/publications/STAP%20ToC%20Primer_webposting.pdf). • Potential for scaling-up: scaling up will be achieved through the proposed Circular Business Hub, which will serve as an innovation incubator, and creation of incubator network. STAP recommends that more details should be presented in the PPG to show how this will work. • Climate change impact and risks: It is essential to carry out an adequate assessment of proposed alternatives and approaches in the project to ascertain that adopted solutions do not contribute to greenhouse gas emissions and other unintended consequences. The potential risk from floods and other climate-related extreme events to the proposed Circular Business Hub was recognized in the PIF. Given that Indonesia's vulnerability to climate change, STAP recommends that a detailed climate risk assessment should be carried as the project is developed further. • We note that this project is similar to the "reduce marine plastics and plastic pollution in Latin American and Caribbean cities through a circular economy approach – GEF ID: 10547" project in this same work program (June 2020). The two projects should seek to learn from each other even from the PPG stage. Also, given that the project will be implemented in cities, we encourage the project proponent to engage with the GEF Sustainable Cities Impact Program. 	
Part I: Project Information B. Indicative Project Description Summary	What STAP looks for	Response
Project Objective	Is the objective clearly defined, and consistently related to the problem diagnosis?	Yes
Project components	A brief description of the planned activities. Do these support the project's objectives?	Yes

Outcomes	A description of the expected short-term and medium-term effects of an intervention. Do the planned outcomes encompass important global environmental benefits?	Yes (although not defined as such - short term will be done in component 1, medium term during component 2 and long-term during component 3)
	Are the global environmental benefits/adaptation benefits likely to be generated?	Yes
Outputs	A description of the products and services which are expected to result from the project. Is the sum of the outputs likely to contribute to the outcomes?	Yes Yes
Part II: Project justification	A simple narrative explaining the project's logic, i.e. a theory of change.	Yes
1. Project description. Briefly describe: 1) the global environmental and/or adaptation problems, root causes and barriers that need to be addressed (systems description)	Is the problem statement well-defined?	Yes
	Are the barriers and threats well described, and substantiated by data and references?	Yes and the barriers are substantiated by data and reference.
	For multiple focal area projects: does the problem statement and analysis identify the drivers of environmental degradation which need to be addressed through multiple focal areas; and is the objective well-defined, and can it only be supported by integrating two, or more focal areas objectives or programs?	<ul style="list-style-type: none"> • Yes. – Chemical and waste (reduction UPOS) and international waters (reeducation of microplastic waste) • Yes
2) the baseline scenario or any associated baseline projects	Is the baseline identified clearly?	Yes
	Does it provide a feasible basis for quantifying the project's benefits?	Yes
	Is the baseline sufficiently robust to support the incremental (additional cost) reasoning for the project?	Yes
	For multiple focal area projects:	
	are the multiple baseline analyses presented (supported by data and references), and the	Yes

	multiple benefits specified, including the proposed indicators;	
	are the lessons learned from similar or related past GEF and non-GEF interventions described; and	Yes
	how did these lessons inform the design of this project?	No lessons mentioned.
3) the proposed alternative scenario with a brief description of expected outcomes and components of the project	What is the theory of change?	Reduction of plastic pollution through adoption of circular plastics economy
	What is the sequence of events (required or expected) that will lead to the desired outcomes?	<ul style="list-style-type: none"> • Developing and implementing a circular governance and NPAP Action Roadmap • Promotion of investments in reduction and management of commercially problematic plastics
	What is the set of linked activities, outputs, and outcomes to address the project's objectives?	<ul style="list-style-type: none"> • Enabling functional circular system for plastics at national level • Establishing circular business hub for problematic plastics at city level • Promotion of Circular economy knowledge, technologies and Innovations
	Are the mechanisms of change plausible, and is there a well-informed identification of the underlying assumptions?	Assumptions are not stated
	Is there a recognition of what adaptations may be required during project implementation to respond to changing conditions in pursuit of the targeted outcomes?	None is mentioned
5) incremental/additional cost reasoning and expected contributions from the baseline, the GEF trust fund, LDCF, SCCF, and co-financing	GEF trust fund: will the proposed incremental activities lead to the delivery of global environmental benefits?	Yes
	LDCF/SCCF: will the proposed incremental activities lead to adaptation which reduces vulnerability, builds adaptive capacity, and increases resilience to climate change?	NA

6) global environmental benefits (GEF trust fund) and/or adaptation benefits (LDCF/SCCF)	Are the benefits truly global environmental benefits/adaptation benefits, and are they measurable?	Yes. There is opportunity for climate benefits. See STAP overall assessment for further comments.
	Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?	Yes
	Are the global environmental benefits/adaptation benefits explicitly defined?	Yes
	Are indicators, or methodologies, provided to demonstrate how the global environmental benefits/adaptation benefits will be measured and monitored during project implementation?	Methodologies to measure indicators are not provided. The annex was missing
	What activities will be implemented to increase the project's resilience to climate change?	Interventions mention cannot increase the project's resilience to climate change?. See STAP summary
7) innovative, sustainability and potential for scaling-up	Is the project innovative, for example, in its design, method of financing, technology, business model, policy, monitoring and evaluation, or learning?	<ul style="list-style-type: none"> • Financing roadmap and financing mechanisms • Establishing circular business hub
	Is there a clearly-articulated vision of how the innovation will be scaled-up, for example, over time, across geographies, among institutional actors?	<ul style="list-style-type: none"> • Circular business hub will serve is innovation incubator • Creation of incubator network <p>However, financing of innovation incubator will depend on the success of financing roadmap and financing mechanisms</p>
	Will incremental adaptation be required, or more fundamental transformational change to achieve long term sustainability?	None
1b. Project Map and Coordinates. Please provide geo-referenced information and map where the project interventions will take place.		Yes
2. Stakeholders. Select the stakeholders that have participated in consultations during the project identification phase: Indigenous people and local communities; Civil society	Have all the key relevant stakeholders been identified to cover the complexity of the problem, and project implementation barriers?	Yes

<p>organizations; Private sector entities. If none of the above, please explain why. In addition, provide indicative information on how stakeholders, including civil society and indigenous peoples, will be engaged in the project preparation, and their respective roles and means of engagement.</p>		
	<p>What are the stakeholders' roles, and how will their combined roles contribute to robust project design, to achieving global environmental outcomes, and to lessons learned and knowledge?</p>	<p>The roles of stakeholders are explained</p>
<p>3. Gender Equality and Women's Empowerment. Please briefly include below any gender dimensions relevant to the project, and any plans to address gender in project design (e.g. gender analysis). Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment? Yes/no/ tbd. If possible, indicate in which results area(s) the project is expected to contribute to gender equality: access to and control over resources; participation and decision-making; and/or economic benefits or services. Will the project's results framework or logical framework include gender-sensitive indicators? yes/no /tbd</p>	<p>Have gender differentiated risks and opportunities been identified, and were preliminary response measures described that would address these differences?</p>	<p>Yes The project will involve a Gender Specialist during PPG preparation to assist in mainstreaming gender issues in the project</p>

	Do gender considerations hinder full participation of an important stakeholder group (or groups)? If so, how will these obstacles be addressed?	No
5. Risks. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design	<p>Are the identified risks valid and comprehensive? Are the risks specifically for things outside the project's control? Are there social and environmental risks which could affect the project? For climate risk, and climate resilience measures:</p> <ul style="list-style-type: none"> • How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately? • Has the sensitivity to climate change, and its impacts, been assessed? • Have resilience practices and measures to address projected climate risks and impacts been considered? How will these be dealt with? • What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement measures? 	<p>Yes Yes No</p> <p>Although the PIF acknowledges potential vulnerability to flooding or natural disaster, though climate risk assessment has not been addressed adequately. See STAP summary.</p>
6. Coordination. Outline the coordination with other relevant GEF-financed and other related initiatives	Are the project proponents tapping into relevant knowledge and learning generated by other projects, including GEF projects?	Yes
	Is there adequate recognition of previous projects and the learning derived from them?	Yes
	Have specific lessons learned from previous projects been cited?	No lessons mentioned
	How have these lessons informed the project's formulation?	No lessons mentioned
	Is there an adequate mechanism to feed the lessons learned from earlier projects into this project, and to share lessons learned from it into future projects?	The institutional arrangements will be developed during the project preparation phase.

<p>8. Knowledge management. Outline the "Knowledge Management Approach" for the project, and how it will contribute to the project's overall impact, including plans to learn from relevant projects, initiatives and evaluations.</p>	<p>What overall approach will be taken, and what knowledge management indicators and metrics will be used?</p>	<p>A knowledge management strategy will be developed during PPG</p>
	<p>What plans are proposed for sharing, disseminating and scaling-up results, lessons and experience?</p>	<p>A knowledge management strategy will be developed during PPG</p>

Notes

STAP advisory response	Brief explanation of advisory response and action proposed
1. Concur	STAP acknowledges that on scientific or technical grounds the concept has merit. The proponent is invited to approach STAP for advice at any time during the development of the project brief prior to submission for CEO endorsement.
	* In cases where the STAP acknowledges the project has merit on scientific and technical grounds, the STAP will recognize this in the screen by stating that " <i>STAP is satisfied with the scientific and technical quality of the proposal and encourages the proponent to develop it with same rigor. At any time during the development of the project, the proponent is invited to approach STAP to consult on the design.</i> "
2. Minor issues to be considered during project design	STAP has identified specific scientific /technical suggestions or opportunities that should be discussed with the project proponent as early as possible during development of the project brief. The proponent may wish to:
	(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised;
	(ii) Set a review point at an early stage during project development, and possibly agreeing to terms of reference for an independent expert to be appointed to conduct this review.
	The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.

<p>3. Major issues to be considered during project design</p>	<p>STAP proposes significant improvements or has concerns on the grounds of specified major scientific/technical methodological issues, barriers, or omissions in the project concept. If STAP provides this advisory response, a full explanation would also be provided. The proponent is strongly encouraged to:</p>
	<p>(i) Open a dialogue with STAP regarding the technical and/or scientific issues raised; (ii) Set a review point at an early stage during project development including an independent expert as required. The proponent should provide a report of the action agreed and taken, at the time of submission of the full project brief for CEO endorsement.</p>