

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

REGIONAL

**REGIONAL INITIATIVE FOR THE
ECONOMIC AND SOCIAL INCLUSION OF RECYCLERS**

(RG-M1179)

DONORS MEMORANDUM

This document was prepared by the project team consisting of: Estrella Peinado-Vara (MIF/AMC) Project Team Leader; Jessica Olivan (MIF/AMC); Norah Sullivan (MIF/AMC); Ismael Gilio (MIF/CBR); David Bloomgarden (MIF/ABS); María Elena Nawar (MIF/DEU); Lene Mikkelsen (MIF/KSC); Sonia Puente (MIF/KSC); Anne Marie Lauschus (LEG/NSG); Miguel Aldaz (ORP/ORP); Horacio Terraza (INE/WSA); German Sturzenegger (INE/WSA); and Brendan McNulty (OMJ/OMJ).

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ABBREVIATIONS

ANR	Asociación Nacional de Recicladores [National Association of Recyclers] (Colombia)
AVINA	Fundación AVINA
INE/WSA	Water and Sanitation Division
LAC	Latin America and the Caribbean
MNCR	Movimento Nacional de Catadores de Materiais Recicláveis [National Movement of Recyclable Material Collectors] (Brazil)
MNRCH	Movimiento Nacional de Recicladores [National Recyclers' Movement] (Chile)
NGO	Nongovernmental organization
PSR	Program status report

**REGIONAL
REGIONAL INITIATIVE FOR THE ECONOMIC AND SOCIAL INCLUSION OF RECYCLERS**

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EXECUTIVE SUMMARY

Executing agency:	The Bank.	
Beneficiaries:	The program is expected to reach at least 5,000 direct beneficiaries, through component I, and approximately 10,000 recyclers as indirect beneficiaries, through components II and III. Other direct and indirect beneficiaries will be consumer products firms, municipal and national governments, and intermediary organizations (NGOs, foundations) in Latin America and the Caribbean.	
Financing: (nonreimbursable)	MIF:	US\$4,000,000 ¹
	Bank – other funds	
	AquaFund (INE/WSA):	US\$1,000,000
	<i>Cofinancing from:</i>	
	Fundación AVINA:	US\$1,400,000
	The Coca-Cola Company:	<u>US\$2,000,000</u>
	TOTAL:	US\$8,400,000
Project objectives:	The goal of the program is to help improve access for recyclers to markets for recycled materials in Latin America and the Caribbean. The purpose is to enhance national and regional coordination capacities between national and local governments, the business sector and recycler organizations to promote conditions for greater inclusion of recyclers in the value chain.	
Execution and disbursement periods:	Execution period:	48 months
	Disbursement period:	54 months

¹ Approval is requested from the Donors Committee for the amount of US\$2.2 million. The remaining value (US\$1.8 million) corresponds to future projects that will be submitted to the Donors Committee individually for approval (see paragraph 2.8).

**Special
contractual
clauses:**

None.

**Environmental
and social
review:**

This project was classified as category “C” (ESR 46-9 of 13 November 2009).

**Coordination
with other
donors:**

The program is being coordinated with other Bank initiatives relating to recycling, primarily INE/WSA, which in addition to technical support is providing funding through the AquaFund. There will also be coordination with OMJ on initiatives where the private sector could contribute to the recyclers (health, education, etc.).

I. BACKGROUND AND RATIONALE

A. The recycling market in Latin America and the Caribbean

- 1.1 In the Latin America and Caribbean region (LAC) there are an estimated 4 million people who derive their livelihood from the hazardous and dirty work² of recycling street trash. These recyclers in fact produce both an environmental and an economic benefit, helping to reduce wastes and making recycled materials available to industry, thereby enhancing industrial competitiveness by supplying cheaper inputs and mitigating the post-consumption affect of products. In this way, the activity of informal waste collectors entails a valuable service, one that is of particular importance in urban areas that generate great quantities of wastes.
- 1.2 Yet despite its importance, recycling work is accorded neither social nor economic recognition. While informal recyclers are in some cases supplying 90% of the recycled materials used in industry, those persons receive only a tiny fraction (perhaps 5%)³ of what is reaped by the intermediaries to whom they sell their materials. Moreover, in most cases this is their only source of livelihood, meaning that they remain trapped in the cycle of poverty.
- 1.3 Although some countries in the region have made progress in terms of setting up recycler organizations and working with them, there are few examples of successful social and economic inclusion for these people, and a new push is needed if such efforts are to have a long-term impact. Achieving real change in the complex situation in which the recyclers find themselves will require a pooling of efforts among the key players involved in the recycling market. However, until now there has been no multisector forum for collaboration on this issue.

B. Key stakeholders in the recycling market

- 1.4 **Public sector** at the municipal and national levels. In LAC public waste management services fall to the municipalities, which unfortunately are not always in a position to fulfill that responsibility. There is in fact a growing need to support the understanding or application of comprehensive solutions for waste management and, in particular, for recycling. National governments, for their part, are responsible for developing waste management standards and policies governing the activities of the industry, but they also need to develop and pursue policies and regulatory frameworks that recognize waste gathering and recycling as a formal and worthy occupation.
- 1.5 The region has seen significant progress on the legislative and policy fronts in recent years, aimed at the socioeconomic inclusion of recyclers. Just a few years ago, something as basic as recognizing waste recycling work as a profession did not exist in most countries of the region. Today, the national governments of Argentina, Brazil, Colombia, and Peru have given legal recognition to recyclers as

² <http://www.ips.org/TV/cop16/los-recicladores-levantan-su-bandera-en-cancun/>.

³ “Reciclaje de desechos sólidos en América Latina” [Waste Recycling in Latin America], Medina, 2005.

entrepreneurs. In Brazil, for example, the National Sanitation Policy (Law 11,445/07) was approved in 2007, opening the way for local governments to negotiate contracts directly with recycler organizations to provide selective collection services. Colombia (2009), Peru and Argentina (2010) have taken similar steps to include waste recyclers in their tendering processes.

- 1.6 **Private sector**, including: (i) large-scale consumer products firms (The Coca-Cola Company, PepsiCo, Nike, Tetrapak, Unilever, Danone, Walmart, Nestlé, etc.), which are responsible for the post-consumption impact of their products; (ii) chains that use recycled materials as inputs (cost-effectiveness); (iii) solid waste management service providers; and (iv) intermediaries. Generally speaking, the business interest in recycling stems from the growing tendency to link the social and environmental impact of products and industrial processes to business profits. In many cases, businesses have a clear economic interest in recycling, since the use of recyclable materials in the production process reduces dependency on raw materials, cutting both costs and energy use.⁴
- 1.7 **Civil society** includes foundations and NGOs active in the recycling market: examples are Fundación AVINA, the Bill and Melinda Gates Foundation, Ciudad Saludable and the Fondation France-Libertés, which are working for the empowerment of informal recyclers and the creation or strengthening of recycler organizations, and which also serve as liaison between groups of recyclers and businesses and governments.
- 1.8 **Recyclers**. On the one hand, there are informal recyclers who pick through waste from the streets and garbage dumps for their own account, and on the other hand recyclers who may be part of cooperatives or associations that collect and sell recycled materials.
- 1.9 **General public**. Households are an important factor in efforts to promote separation at source of recyclable materials and to change the public perception of recyclers from viewing them as a problem to valuing them as a socioeconomic asset.

C. Advances in recycler organizations

- 1.10 Within the region, the process of organizing recyclers has reached various stages, ranging from incipient informal groups to formal organizations associated in turn with national entities that represent them. Today there are six national recycling movements, and the Latin American Network of Recyclers (RLR)⁵ is making headway in 14 countries.

⁴ For example, recycling aluminum cans saves 95% of the energy needed to produce the same amount of metal from bauxite. http://recycling.stanford.edu/recycling/caq_benefits.html.

⁵ <http://www.redrecicladores.net/>.

- 1.11 In Colombia, for example, the National Association of Recyclers (ANR) has seven regional sub-networks embracing 85 local associations.⁶ The ANR has mounted a number of initiatives and has been winning recognition for street recycling as a profession. In Chile, the leaders of five local recycler associations founded the National Recyclers' Movement (MNRCH) in 2007, and today it has 20 organizations in seven cities. MNRCH has forged alliances with 20 private firms, four foundations, five municipal governments, and the National Environment Commission (CONAMA). In Brazil, the National Movement of Recyclable Material Collectors (MNCR), established in 1999, now covers 325 of the nearly 500 recycler associations and cooperatives created in the country over the last 10 years.
- 1.12 These movements, coordinated through the RLR, constitute platforms for raising the economic and social visibility of recyclers and taking advantage of favorable public policies and existing social services, as well as providing technical assistance and training to their members.

D. Challenges and opportunities

- 1.13 Despite the progress made to date, there are a number of challenges to be overcome in order to take advantage of opportunities and ensure the sustainability of new, comprehensive models of solid waste management. These include:
- (i) The informal status of recyclers and their associations, which limits their bargaining power for negotiating contracts with government as well as their ability to obtain better prices from the buyers of their materials, combined with a lack of coordination among key stakeholders, including the public sector, businesses, civil society organizations, recycler organizations, informal workers and intermediaries.
 - (ii) Lack of access to market information (prices, technologies etc.), which leads to information asymmetry and the consequent lack of trust and thus increases transaction costs and complicates business negotiations.
 - (iii) The precarious social and economic status of this population, a complex social group that is exposed to violence, unhealthy living conditions, and limited access to basic social services, elements that adversely impact their organizational and productive capacity.
 - (iv) The low technological level of the chain, reflecting the disconnect between the different links of the chain and the failure to transfer knowledge and technology. This is also related to the limited technical training and management capacity of recyclers and their lack of access

⁶ Historically, the move to organize waste collectors in Latin America began in 1987, in Bogotá and five midsize cities in Colombia, following a series of demonstrations sparked by the decision of local authorities to evict more than 2,000 waste collectors from garbage dumps (where they were living and working).

to technologies applicable to recyclable materials and their transformation.

- (v) The still-tentative enforcement of legislation to regulate the activity, to create equitable conditions for participation by recycler organizations in public contracting and, above all, to regulate separation at source of household wastes.

- 1.14 In the midst of these challenges, the recycling market presents a great opportunity to generate inclusive businesses. Just as the volume of solid wastes is rising, so are the opportunities for recycling them, and the concomitant possibilities for generating businesses, jobs and incomes for recyclers. Now more than ever, the needs of recyclers and the service they provide are attuned with the social, environmental and economic objectives of the public, private and social sectors. All these stakeholders are aware of the need to find sustainable solutions to waste management, and they are beginning to see recyclers as part of the solution.
- 1.15 From the public viewpoint, the municipalities need more information on comprehensive waste management solutions, and on recycling in particular. From the viewpoint of private firms, the same point holds, as there is growing interest in the environmental impact of their operations and, particularly, in mitigating the post-consumption effects of their products in a responsible manner. The emerging “green markets” and the notion of “paying” for environmental services represent another field of great potential.

E. The proposed program and executing agency

- 1.16 To achieve these goals, the program would create a **Regional Initiative** that will serve as a platform for strategic, multisector partnerships between the various stakeholders in the recycling business (recyclers, the recycling industry, consumer goods producers, municipalities, knowledge institutions, and civil society entities). This initiative will provide a forum for dialogue and action between the different stakeholders so as to achieve greater scale and impact with specific initiatives to disseminate good practices and effective models for the economic inclusion of recyclers. The initiative is a joint effort created by the MIF and Fundación AVINA, with technical and financial support from INE/WSA through the AquaFund.
- 1.17 The program seeks to help transform the recycling market in LAC and to bring about systemic change in three areas: (i) in the **economic and social conditions** of informal recyclers and their families, by upgrading their skills and making their activities more profitable and secure, providing them better access to basic services, and changing the public perception of the recyclers from that of a “social problem” to that of a “social, environmental and economic asset”; (ii) in **public policies**, by improving municipal capacities to work with informal recyclers and to develop inclusive waste management systems, while strengthening the regulatory framework and creating laws for enforcing rules and policies in the sector; and (iii) in the **private sector**, in various aspects that range from including

recyclers in the value chains and encouraging greater market responsiveness and transparency to facilitating the traceability of recycled materials used as inputs.

- 1.18 The Bank, acting through the Office of the MIF, will be the project executing agency. The MIF will execute the project, as there is no other entity that represents the interests of all stakeholders and that has a presence throughout the region. The MIF is working with INE/WSA and in partnership with Fundación AVINA for cofinancing and implementing the project.

F. A strategic partnership between AVINA and MIF/IDB

- 1.19 AVINA is a nonprofit institution created in February 1998. It has extensive experience working with recyclers on various fronts (peer learning, building social capital, linking private and public institutions, etc.) and the ability to leverage resources and support from businesses, governments and international institutions. AVINA and MIF have been working together in various ways and on various issues for several years. Currently, in the informal recycling area, AVINA is cooperating with MIF on five projects in Argentina, Bolivia, Brazil, Colombia, and Peru.⁷ In Colombia and Brazil, INE/WSA has joined these operations to contribute resources and technical assistance. This history of teamwork has revealed complementarities and strengthened both parties' relationships with businesses and other key players, including international recycling partners such as the Bill and Melinda Gates Foundation and the Fondation France Libertés, and including companies such as Natura (Argentina, Brazil and Colombia), Gerda (Chile), The Coca-Cola Company (Brazil), PepsiCo (Argentina and Peru) and Danone (Argentina and Brazil). Fundación AVINA has been supporting recyclers' work and their organizations since 2003, and has to date invested more than US\$3.2 million of its own funds while mobilizing more than US\$7 million from other coinvestors.
- 1.20 Both the MIF and INE/WSA, both part of the Bank, can facilitate linkages between the partners, the pilot initiatives, and their subsequent scalability through initiatives of broader scope and public policies associated with Bank programs. Leadership and interaction among the partners involved in this initiative will create a body of knowledge in the recycling area from the viewpoint of business, municipalities, social inclusion and better access to markets which, besides strengthening coordination among global players, can be transferred to other regions beyond LAC.

G. Contribution to the objectives and outcome indicators of the “inclusive businesses” agenda

- 1.21 The project falls within the objective of the MIF agenda for “promoting and supporting the adoption of inclusive businesses,” part of the AMC (Access to

⁷ In the MIF projects in Argentina (AR-M1053) and Brazil (BR-M1057), AVINA is the executing agency. For the projects in Colombia (CO-M1052), Bolivia (BO-M1040) and Peru (PE-M1052), AVINA is contributing resources and/or knowledge.

Markets and Capabilities) unit, which is targeted, among other aspects, at the socioeconomic inclusion of recyclers. The objective of this agenda is to create better economic opportunities for low-income and vulnerable populations through inclusive business practices. The project will contribute to the following outcome indicators:

Specific agenda results	Agenda indicators to which the program will contribute	Indicators of direct program results
R1: Test and validate inclusive business methodologies for large firms to incorporate micro enterprises and/or low-income or vulnerable individuals in their value chains.	At least 20 pilot projects to test and validate methodologies through implementation of inclusive business practices in specific sectors.	At least 5 pilot projects with various methodologies for including recyclers in the value chain of larger firms, to be designed and executed under this initiative.
R2: Generate knowledge products to support promotion and adoption of inclusive business practices and methodologies	<ul style="list-style-type: none"> - 10 methodologies successfully tested, validated and documented. - At least 20 knowledge products developed as a result of the pilot projects (case studies, multimedia materials, marketing products, etc.) 	<ul style="list-style-type: none"> - At least 2 methodologies resulting from the pilot projects will be validated and documented during the process. - At least 5 knowledge products will be developed as a result of projects financed under the initiative, as part of component 3.
R3: Engage other firms and organizations with the potential to adopt these inclusive business practices and methodologies	At least 10 partnering activities (joint conferences, publications, research, projects, promotional events) with other donors and NGOs working on inclusive business issues.	At least 2 partnering activities with other donors and NGOs working on these issues.

II. OBJECTIVES AND COMPONENTS

A. Objectives

- 2.1 The **goal** of the program is to help improve access for recyclers to markets for recycled materials in Latin America and the Caribbean. The **purpose** is to enhance national and regional coordination capacities between national and local governments, the business sector and recycler organizations to promote conditions for greater inclusion of recyclers in the value chain.

B. Components, activities, and outcomes

- 2.2 To fulfill these objectives, the program contains the following components: (i) financing of projects that offer specific impact opportunities; (ii) training, technical assistance, and information sharing for stakeholders in the recycling market; (iii) documentation of knowledge and learning; and (iv) strategic communication with key audiences for catalyzing change.

**Component I. Financing of projects that offer specific impact opportunities
(MIF: US\$1,937,500; AquaFund: US\$700,000; cofinancing: US\$1,562,500)**

- 2.3 The objective of this component is to support the transfer of successful models for economic inclusion to various countries in the region through the development and financing of specific projects involving key players in the Regional Initiative. The recycling projects underway in Argentina, Bolivia, Brazil, Colombia and Peru, along with other initiatives not necessarily financed by MIF and AVINA, are yielding some important lessons that could speed change in other countries if effectively transferred. Generally speaking, these projects support the strengthening of informal recycler organizations and productive processes by developing the market for recyclable solid wastes. The expected results are improved incomes and working conditions as well as better management and greater negotiating power for recycler organizations in accessing the market. New projects will be pursued in various contexts, adapting work methods to the relative maturity of the organizations and their relations with other stakeholders.
- 2.4 Activities under this component involve: (i) a study to identify best business practices/models for documenting and transfer; (ii) outreach meetings with firms; and (iii) financing for specific projects involving: (a) transfer of methodologies and knowledge; (b) development of new products; (c) process innovation (separation of origin, recycling and green markets); (d) opportunities to develop recycling businesses; and (e) methodologies to earn carbon credits for recyclable materials and pay for environmental services.
- 2.5 The principal outcomes expected are: (i) a completed study identifying best business practices/models for documenting and transfer; (ii) at least six outreach meetings with firms; and (iii) financing of at least five projects in the areas mentioned.
- 2.6 The selection of projects for financing is based on the following criteria: (i) level of interest and demand on the part of recyclers; (ii) some form of recyclers' organization in place (cooperatives, national movements); (iii) favorable conditions that support the vision of the Regional Initiative (social capital, appropriate public policies, etc.); (iv) a clear analysis of how the initiative can achieve the desired change; (v) composition of solid wastes in the country (level of organic and inorganic wastes, etc.) and how this may influence project objectives; (vi) scale-up potential; (vii) complementarity between the initiative and other Bank programs; (viii) demonstrated interest and capacity to catalyze the initiative with local partners in order to boost the potential impact; (ix) capacity to execute and contribute the local counterpart through efforts with local public and/or private partners, covering at least 30%⁸ of total project funding; and (x) innovation opportunities.

⁸ Depending on the circumstances of each project, the counterpart could be as much as 50%.

- 2.7 There will be coordination with the Opportunities for the Majority Sector (OMJ) on private-sector initiatives that offer opportunities to provide additional services contributing to the social and economic inclusion of communities. Examples include financial services, health and nutrition services, and insurance for recyclers.
- 2.8 The projects financed under this component will be submitted to the MIF Donors Committee for approval, under normal procedures. The projects are expected to have an average amount of US\$1 million (total resources).

Component II. Training, technical assistance and information sharing for stakeholders in the recycling market (MIF: US\$734,100; AquaFund: US\$200,000; cofinancing: US\$659,400)

- 2.9 The objective of this component is a significant increase in the capacity and involvement of key players in the recycling market, including large firms, government (municipal and national), NGOs and recyclers. This component will raise awareness and train human resources for the various stakeholders to interact more effectively, helping to create conditions that will foster greater inclusion of recyclers, for example training for municipal officials, upgrades to the regulatory framework for the recycling market, and initiatives for transferring proven methodologies to strengthen the productive recycling chain.
- 2.10 This component involves the following main activities: (i) develop programs and technical curricula for training trainers of recyclers in partnership with leading national entities in recyclable waste management; (ii) stimulating interest among large firms; (iii) training NGO staff; (iv) training municipal staff; (v) planning and conducting exchange among government professionals, managers of recycling groups, and firms; (vi) technical assistance for preparing or improving regulatory frameworks for recyclable solid waste management; and (vii) providing knowledge services to projects outside the Regional Initiative.
- 2.11 The principal expected outcomes are: (i) at least four technical training programs (professional development) for recyclers, designed and implemented by leading national entities in recyclable waste management; (ii) at least 10,000 recyclers trained by the entities or professionals; (iii) at least 200 municipal staff trained; (iv) at least four multinational firms signed up to participate under the Regional Initiative; (v) at least 60 professionals (government officials, recyclers, NGOs, firms) trained through experience sharing programs; (vi) at least four LAC countries assisted technically for creating or reformulating their regulatory frameworks for recyclable waste management.

Component III. Documentation of knowledge and learning (MIF: US\$317,300; AquaFund: US\$100,000; cofinancing: US\$726,700)

- 2.12 The objective of this component is to generate, capture and document knowledge from the projects financed under the Regional Initiative, as well as the knowledge gained from other projects financed by MIF, INE/WSA, AVINA or third parties,

and from research into gaps and trends in the recycling sector, to promote learning among stakeholders and boost the impact of their efforts. The documentation of knowledge will result in products that can be disseminated for use and replication (see paragraph 2.13 (vi)).

- 2.13 This component includes the following activities:⁹ (i) establish a baseline for the indicators proposed in the Regional Initiative; (ii) develop a monitoring system; (iii) design an impact monitoring and measurement strategy; (iv) technical visits to Initiative-financed projects and others; (v) develop the online platform and incorporate its contents; (vi) identify, document and disseminate knowledge (case studies and business models), best practices and lessons learned; (vii) prepare and disseminate sector studies on recyclable materials; and (viii) organize annual regional conferences and national seminars with stakeholders on recycling.
- 2.14 The principal expected outcomes are: (i) at least 10 best-practice experiments documented and at least 10 case studies developed; (ii) at least five evaluations (of business models, etc.) documented and disseminated in LAC and globally; (iii) at least three business models adopted by firms or municipalities, and operating; and (iv) at least five specific studies of recyclable materials completed.

Component IV. Strategic communication with key audiences for catalyzing change (MIF: US\$126,250; cofinancing: US\$395,000)

- 2.15 The objective of this component is to promote effective communication to enhance the impact of the Regional Initiative and to provide those who need it with knowledge of what works, in order to catalyze behavioral changes.
- 2.16 Changing perceptions and behavior will require timely availability of the necessary products and strategic communication with key market players. Accordingly, this component contains the following activities: (i) identify key audiences (see paragraph 3.2); (ii) design and implement a strategic communications plan, including a positioning campaign for recyclers; (iii) design an exit strategy to ensure continuity of the initiative; and (iv) forge strategic partnerships with firms, donors, NGOs, governments, the media, etc.
- 2.17 The principal expected outcomes are: (i) a communication strategy designed and implemented; (ii) a positioning campaign for recyclers implemented in five countries of the region; (iii) at least 10 additional organizations (firms, donors, NGOs, governments and media) have joined the Regional Initiative in LAC.
- 2.18 **Sustainability.** This will require stakeholders in the recycling market to take ownership of the Regional Initiative. Accordingly, an activity has been included in Component IV to prepare an exit strategy to ensure continuity of the initiative after the program is concluded, and meetings will be held to discuss it.

⁹ Some of these activities will be covered in a program evaluation plan.

III. EVALUATION AND COMMUNICATION STRATEGIES

- 3.1 **Evaluation plan.** To track achievement of the initiative's outcomes, two independent evaluations will be conducted by consultants to be selected and hired by the Bank as a charge to the operation. The midterm evaluation will be done when funds are 50% disbursed or halfway through the execution period, whichever comes first; and the final evaluation, at the end of the project execution period. The terms of reference for these evaluations will be prepared by the executing agency and approved by the Bank. The interim evaluation will cover the following aspects, among others: (i) the effectiveness of activities to date and achievement of program activities and goals, together with the trend of indicators in the logical framework; (ii) the performance of the consultants, instructors and execution team; (iii) beneficiary satisfaction with the services and solutions developed; and (iv) the steps taken to facilitate the project's sustainability. If there are significant variances in the execution of activities, corrective measures will be recommended and lessons learned will be emphasized. The final evaluation will analyze outcomes against the baseline and the objectives in the logical framework, and will also examine the following aspects: (i) the sustainability of the activities undertaken; (ii) achievement of the project's purpose and objectives; (iii) the beneficiary population; (iv) products that have generated the greatest value and can be replicated; (v) lessons from project execution; (vi) improvements in regional coordination capacity; (vii) implementation of the exit strategy permitting the sustainability of the initiative; and (viii) changes in the perception of recyclers in participating countries.
- 3.2 **Communication strategy.** The principal audiences that should be interested in the project's outcomes are the following: (i) the **public sector** (municipal and national governments) seeking solutions to the socioeconomic exclusion of recyclers through inclusive systems of solid waste management; (ii) the **private sector** (large consumer goods firms, firms that use recycled materials as inputs) to mitigate the post-consumption effect of their products in a responsible manner, to reduce dependency on raw materials, and to cut costs; (iii) **civil society/intermediary organizations** (foundations and NGOs) in their efforts to improve socioeconomic opportunities for recyclers and to create linkages between them and businesses and governments; (iv) recyclers, who will have greater access to economic opportunities and better living standards; and (v) the **general public**, which will enjoy a healthier environment. These groups are among the audiences targeted by this MIF agenda.
- 3.3 **Knowledge benefits.** The Regional Initiative seeks to expand existing knowledge in the recycling field and to create knowledge products and disseminate messages that can be shared with stakeholders in the region and replicated in successful recycling initiatives. The knowledge benefits are expected to include: (i) an analysis of existing methodologies, their effectiveness and applicability, in order to identify best business practices/models and to document and transfer them to countries of the region, the idea being to facilitate dialogue and interaction among

stakeholders and achieve scale and impact with specific outreach initiatives; (ii) training programs to boost stakeholders' capacities and collaboration: at least four programs and technical curricula (professional development) for recyclers, designed by leading national entities in recyclable waste management, and training programs for other stakeholders such as municipal officials, NGO professional staff, and businesses; (iii) practical know-how materials for sharing with stakeholders to promote learning and increase the impact of projects: case studies, best practice experiments, business models for other firms and/or municipalities, and studies of specific recyclable materials; and (iv) a communication strategy and a positioning campaign.

IV. COST AND FINANCING

- 4.1 The total cost of the program is US\$8.4 million, of which US\$4 million will come from the MIF, US\$1 million from the IDB AquaFund,¹⁰ and US\$3.4 million through cofinancing by Fundación AVINA (US\$1.4 million) and The Coca-Cola Company (US\$2 million) (see paragraph 5.3). Other donors are expected to contribute further funding (other firms and the Bill and Melinda Gates Foundation, among others). The projects to be financed as part of component I will also have a local counterpart contribution of at least 30%, for an additional US\$1.8 million. The program execution period will be 48 months.

Expenditure category	MIF	IDB AquaFund (INE/WSA)	Cofinancing	TOTAL
Component I: Financing of projects that offer specific impact opportunities	1,937,500	700,000	1,562,500	4,200,000
Component II: Training, technical assistance and information sharing for stakeholders in the recycling market	734,100	200,000	659,400	1,593,500
Component III: Documentation of knowledge and learning.	317,300	100,000	726,700	1,144,000
Component IV: Strategic communication with key audiences	126,250	0	395,000	521,250
Operating expenses ¹¹	422,550	0	34,500	457,050
Evaluations	200,000	0	0	200,000
Contingencies	20,000	0	21,950	41,950

¹⁰ These resources are being handled as technical cooperation. INE/WSA is processing their approval.

¹¹ These resources include the contracting of the project coordinator (full time), an administrative/accounting assistant (part time) for the four years of the program, and the purchase of computer hardware.

Expenditure category	MIF	IDB AquaFund (INE/WSA)	Cofinancing	TOTAL
Subtotal	3,757,700	1,000,000	3,400,000	8,157,700
Impact Evaluation Account (5%)	187,885	0	0	187,885
Contribution to the Agenda	54,415	0	0	54,415
TOTAL	4,000,000	1,000,000	3,400,000	8,400,000

V. EXECUTION MECHANISM

- 5.1 The projects selected under component I will be carried out in each case by executing agencies. For projects with MIF financing, a technical cooperation agreement will be entered into between the Bank and the executing agency, as is the conventional practice. The IDB country offices will supervise execution of individual projects.
- 5.2 The IDB/MIF will sign a cooperation agreement with Fundación AVINA, establishing: (i) how each institution will execute the resources it contributes to the project, and the additional resources contributed by other partners; (ii) cross-licensing for the two institutions for make use of the knowledge, products and materials generated through program execution; (iii) that the two parties will contribute to the generation of knowledge as input for components II and III, and (iv) that MIF and AVINA will be specifically responsible for execution of components II, III and IV, relating to knowledge generation and strategic communication.
- 5.3 The Regional Initiative will be open to other partners interested in participating, in accordance with the operating procedures for nonreimbursable cofinancing administered by the Bank (project specific grants, document SC-114) any contributions from other organizations (such as The Coca-Cola Company) will be subject to the terms of the administrative agreement between those organizations and the Bank. Similarly, AVINA will make available to the program its structure for receiving funds, in the most appropriate manner.¹²
- 5.4 The MIF will contract an individual consultant as **program coordinator**. The coordinator will manage the various program activities with the partners, the executing agencies for the projects financed, and the local MIF offices.
- 5.5 An **implementation team** will be established, comprising the founding members of the Regional Initiative (representatives of MIF, INE/WSA and AVINA), the program coordinator, and an administrative assistant. The implementation team will be responsible for: (i) defining the annual work plan; (ii) establishing

¹² AVINA received the first contribution of US\$540,000 from a coinvestor (Coca-Cola Company) in December 2010.

selection criteria and selecting projects for financing; (iii) implementing program activities; (iv) designing operating procedures; and (v) administering the program. The implementation team will hold periodic (virtual) meetings, approximately three times a month.

- 5.6 The program will also have a **Regional Advisory Board** comprising representatives of AVINA, the MIF, INE/WSA, the principal coinvestor firms (The Coca-Cola Company) and other organizations or firms and representatives of recycler organizations. The advisory board will: (i) advise the implementation team; (ii) propose projects for financing and good practices; (iii) define the program's vision and strategy; and (iv) approve the annual work plan for the Regional Initiative and the corresponding budget. The board will meet at least four times a year, with at least one face-to-face meeting.
- 5.7 This governance structure includes **national committees**, consisting of local executing units (national) for projects financed under component I. The national committees will: (i) participate in and coordinate their respective national projects; (ii) promote local initiatives and mobilize key local audiences; (iii) promote the flow and exchange of knowledge and lessons among projects in the different countries, and between the national and regional levels, thus contributing to components II and III; and (iv) provide information and feedback to the Regional Advisory Board on activities at the national level.
- 5.8 **Disbursements by results.** For projects to be financed under component I, disbursements will be contingent upon the achievement of milestones, which will be agreed between the executing agency and the MIF along with their means of verification. Achievement of milestones does not exempt the executing agency from responsibility to meet the project's objectives. Under the risk- and performance-based project management approach disbursements will be made by advancing the funds needed to execute a project up to the first milestone. The first disbursement will be made upon fulfillment of the conditions precedent established in the agreement. The remaining disbursements will be made in accordance with the project's expenditure needs, based on the activities planned for a given period of time, which may include the due date of one or more milestones.
- 5.9 **Procurement.** The procurement of goods and services and the selection and contracting and consulting services will be conducted in accordance with the Bank policies and procedures contained in documents GN-2349-7 and GN-2350-7. Those procedures must guarantee transparent and competitive processes, at the least cost. Documentation must also facilitate periodic review by the Bank of expenditures and procurement processes conducted in accordance with Bank policies.
- 5.10 **Financial supervision.** The executing agency responsible for each project financed under component I will establish and assume responsibility for maintaining financial accounts, internal control mechanisms, and record-keeping

systems for the project, consistent with IDB/MIF rules and policies. The project financial statements will be audited at the end of the execution period. The supporting documentation for disbursements will be subject to either ex post or ex ante review, depending on the fiduciary capacity revealed in the risk analysis. The application and frequency of reviews of procurements and supporting documentation for disbursements may be modified by the MIF based on the findings of reviews and/or subsequent risk analyses performed by the MIF during project execution. The IDB/MIF may contract independent auditors to audit the financial statements and to perform the ex post review of procurements and supporting documentation for disbursements. The costs of such contract will be covered by the MIF contribution in accordance with Bank procedures.

VI. PROGRAM MONITORING

- 6.1 **Monitoring.** The MIF will monitor and supervise the program. Program status reports (PSRs) will be prepared by the program coordinator as a permanent record of the initiative.
- 6.2 MIF and AVINA will use these reports to monitor progress in implementing the program and to prepare the project completion report within three months after the last disbursement.
- 6.3 For each individual project financed under component I the executing agency will be responsible for delivering PSRs to the MIF within 30 days after the end of each six-month period. These reports will contain information on project execution, milestones met, and completion of project objectives as stated in the logical framework and other operative planning instruments. The PSR will also describe project issues encountered during execution and outline possible solutions. Within 90 days after the end of the execution period, the executing agency will deliver a final PSR to the MIF that highlights results achieved, project sustainability, and lessons learned.

VII. BENEFITS AND RISKS

- 7.1 **Benefits and beneficiaries.** The Regional Initiative will generate benefits in terms of knowledge, which will serve to heighten the interest of the business community in recycling and will indicate how to mitigate certain risks, achieve cost efficiency, and find new business opportunities. For local and central governments, it will generate benefits through identification and support for development of effective legislative frameworks and a comprehensive waste management service, as well as help informal recyclers to improve their living conditions. It is also expected to generate interest among other economic and social players in the positive impact that recyclers can have in economic, social and environmental terms.

- 7.2 The identification of best practices will facilitate the rollout of waste management systems through other Bank operations. A knowledge repository will be created as a global resource for both businesses and civil society, facilitating exchange with other parts of the world. The initiative will also provide a platform for the principal stakeholders to share know-how, contributing to their sustainability.
- 7.3 Recycler organizations will obtain better market access and working conditions, making it more likely that members can achieve higher living standards to escape from the circle of poverty.
- 7.4 The Regional Initiative will benefit directly some 5,000 recyclers and their communities through the projects included in component I. Through component II it will provide indirect benefits to 10,000 recyclers as well as to consumer products firms, municipal and national governments and intermediary organizations (NGOs, foundations) in Latin America and the Caribbean.
- 7.5 **Risks.** The principal risk identified for the creation of a regional recycling initiative is that firms will see the initiative as an attempt on the part of governments, multilateral agencies and civil society organizations to impose excessive demands or regulations that will limit business participation in this area. **Mitigation:** one of the partners is a firm that is interested both in the impact of its products and in the possibility of using recycled materials. Representation of other relevant players is assured by the close involvement of recycler associations, which will be part of the body advising the implementation team. Given the varied nature and interests of the organizations involved in the initiative, the implementation team will have professionals with technical knowledge and partnership management skills.

VIII. ENVIRONMENTAL AND SOCIAL CONSIDERATIONS

- 8.1 Given the nature of the program, it is expected to have positive and direct environmental impacts, including raising firms' awareness about their responsibility for mitigating the post-consumption impact of the products they sell, sensitizing governments (especially at the municipal level) to the need for sustainable and inclusive solutions to waste management, and instilling in the general public a sense of shared responsibility for waste management, including separation at origin of recyclable materials, and a perception of recyclers as a social asset. This initiative is expected to have a major impact in generating better and safer working conditions for recyclers. The project also includes financing for subprojects that will develop new approaches to carbon credits for recyclable materials and payment for environmental services.

REGIONAL INITIATIVE FOR THE ECONOMIC AND SOCIAL INCLUSION OF RECYCLERS (RG-M1179)

LOGICAL FRAMEWORK

Narrative Summary	Indicators	Means of verification	Assumptions
GOAL			
The goal of the program is to help improve access for recyclers to markets for recycled materials in Latin America and the Caribbean.	<p>Two years after project completion:</p> <ul style="list-style-type: none"> An increase of at least 20% in the average incomes of recyclers as entrepreneurs or formal employees. Recyclers are participants in the solid waste management systems of at least 100 municipios in four countries of the region.¹ 	<ul style="list-style-type: none"> Impact evaluation report. Executing agency reports with sales data from organizations, an analysis of municipal systems vis-à-vis the baseline, and monitoring of partnerships with firms. Sustainability reports from multinational firms. 	<p>There are no changes in regulations, technologies or industrial organization that would affect participation by recyclers in the recycling chain.</p> <p>Policies geared to recyclers and the sustainable development of the recycling chain can be incorporated progressively.</p>
PURPOSE			
The purpose is to enhance national and regional coordination capacities between national and local governments, the business sector and recycler organizations to promote conditions for greater inclusion of recyclers in the value chain.	<p><u>At the end of the project:</u></p> <ul style="list-style-type: none"> At least 30 municipios, distributed among at least three countries, have signed selective collection contracts with recyclers' organizations (businesses). At least 30 municipios in at least three countries have approved the rules regulating separation at origin for domestic wastes. At least six firms have supply policies that include buying materials from recyclers' organizations. 	<ul style="list-style-type: none"> Business survey Baseline reports. Contracts signed between municipios and recyclers' enterprises. Contracts signed between firms and recyclers' enterprises. 	<p>Key players (firms, municipios, NGOs, recyclers) maintain their interest and commitment throughout the project.</p> <p>Firms and municipios are ready to incorporate recyclers into the value chain and waste management systems, respectively.</p>

¹ Participant refers both to paid service delivery contracts as well as to other arrangements under cooperation agreements/contracts.

Narrative Summary	Indicators	Means of verification	Assumptions
	<ul style="list-style-type: none"> • <u>After 36 months:</u> • At least two countries have developed professional training services for recyclers • At least four national multisector networks have been created among recycling stakeholders. • <u>After 24 months</u> • At least 10 municipios have signed selective collection contracts with recyclers' organizations (businesses). • At least 10 municipios in three countries have approved rules regulating separation at origin for domestic wastes. • At least two firms have supply policies that include buying materials from recyclers' organizations. • At least 70 intersectoral institutions (including national governments and international agencies) have signed agreements for cooperation through the regional initiative. 		
COMPONENTS			
Component I. Financing of projects that offer specific impact opportunities.	<u>After 12 months:</u> <ul style="list-style-type: none"> • At least 12 firms are interested in supporting and coinvesting in national projects. • At least two new national projects have been approved. 	<ul style="list-style-type: none"> • Baseline reports. • Documentation of methodologies 	<p>Large firms, municipios and other organizations are able and willing to co-finance or implement pilot projects.</p> <p>Good practices and successful business models can be adapted to other contexts.</p>

Narrative Summary	Indicators	Means of verification	Assumptions
	<p><u>After 24 months:</u></p> <ul style="list-style-type: none"> At least four new national projects have been approved. At least three national projects are in execution. <p><u>After 36 months:</u></p> <ul style="list-style-type: none"> At least two projects offering new solutions for access to basic services² and/or income generating opportunities for recyclers' associations have been created by firms participating in the regional initiative. At least two projects offering new process technologies or recycling products have been developed by firms participating in the regional initiative. <p><u>At the end of the project:</u></p> <ul style="list-style-type: none"> At least two carbon credit methodology projects have been developed and tested for two recyclable materials (one for each material). At least two projects involving financing mechanisms related to climate change (payment for environmental services) have been developed and implemented. 		
Component II. Training, technical assistance and information sharing for stakeholders in the recycling market.	<p><u>After 12 months:</u></p> <ul style="list-style-type: none"> At least four multinational firms have signed agreements to participate in the regional initiative 	<ul style="list-style-type: none"> Midterm and final project evaluations. Final program status report (PSR). Final PSRs for individual projects financed. 	The direct beneficiaries continue to participate in the project, using the models, instruments and techniques learned through the training and experience sharing exercises.

² Health, education, etc.

Narrative Summary	Indicators	Means of verification	Assumptions
	<p><u>After 24 months:</u></p> <ul style="list-style-type: none"> At least 2,500 recyclers have received technical training from leading national entities or professionals in recyclable waste management. At least 20 professionals (government officials³ recyclers, NGOs, firms) have participated in the program for sharing experience. <p><u>After 36 months:</u></p> <ul style="list-style-type: none"> At least 5,000 recyclers have received technical training from leading national entities or professionals in recyclable waste management. At least 40 professionals (government officials, recyclers, NGOs, firms) have participated in the program for sharing experience. At least six governments in the region have received technical assistance for creating or reformulating their regulatory frameworks for recyclable waste management. <p><u>At the end of the project:</u></p> <ul style="list-style-type: none"> At least four projects have benefited from knowledge services. At least six countries in the region have received technical assistance for creating or reformulating their regulatory frameworks for recyclable waste management. 	<ul style="list-style-type: none"> Baseline reports. Agreements signed on participation by multinational firms and other institutions in the initiative. Documentation of methodologies. Traineeship reports. Attendance lists at training events and participant satisfaction surveys. Project financing agreements signed. Technical assistance reports. 	

³ “Government” refers to all levels: municipal, state or provincial, national.

Narrative Summary	Indicators	Means of verification	Assumptions
	<ul style="list-style-type: none"> • At least 10,000 recyclers have received technical training from leading national entities or professionals in recyclable waste management. • At least 60 professionals (government officials, recyclers, NGOs, firms) have participated in the program for sharing experience. • At least 200 municipal officials have received training. 		
<p>Component III. Documentation of knowledge and learning.</p>	<p><u>After 12 months:</u></p> <ul style="list-style-type: none"> • A monitoring system is up and running (includes a baseline). • An online mapping system is operating to identify municipal services that successfully integrate recyclers and private initiatives through public-private partnerships (PPPs) and other models. • At least 60 participants in the regional initiative's annual conference. <p><u>After 24 months:</u></p> <ul style="list-style-type: none"> • At least six best-practice experiments have been documented (business practices, regulatory frameworks, etc.) • At least six case studies of recyclable waste management have been produced. • At least three business models have been documented. • At least three studies of specific recyclable materials have been produced. 	<ul style="list-style-type: none"> • Midterm and final project evaluations. • Final program progress report (PSR). • Final PSRs for individual projects financed. • Attendance list for annual events. • Baseline reports. • Publication of case studies and sector studies. • Agreements signed on participation by multinational firms and other institutions in the project. 	<p>Good practices and successful business models can be adapted to other contexts.</p> <p>There is demand on the part of key stakeholders for the knowledge generated.</p>

Narrative Summary	Indicators	Means of verification	Assumptions
	<ul style="list-style-type: none"> • At least 80 participants have attended the national seminars. • At least 150 participants have attended the annual conferences. <p><u>After 36 months:</u></p> <ul style="list-style-type: none"> • At least 350 participants have attended the annual conferences. <p><u>At the end of the project:</u></p> <ul style="list-style-type: none"> • At least 10 best-practice experiments have been documented • At least 10 case studies have been produced. • At least five evaluations (of business models, etc.) have been documented and disseminated in LAC and globally. • At least three business models have been adopted by other firms or municipios and are operating. • At least five studies of specific recyclable materials have been produced. • At least 200 participants have attended national seminars • At least 500 participants have attended the annual conferences. 		

Narrative Summary	Indicators	Means of verification	Assumptions
<p>Component IV. Strategic communication with key audiences for catalyzing change</p>	<p><u>After 12 months:</u></p> <ul style="list-style-type: none"> • A strategic communication plan designed, including identification of key audiences, a calendar of activities, and knowledge products to be developed for each audience (i.e. best practices documented, case studies, etc. described in component III) and strategic communication. <p><u>After 24 months:</u></p> <ul style="list-style-type: none"> • An exit strategy designed to ensure continuity of the initiative. <p><u>After 36 months:</u></p> <ul style="list-style-type: none"> • At least 10 additional organizations in LAC are representing different stakeholders in the recycling market and donors have joined the regional initiative as a result of the initial communication activities. <p><u>At the end of the project:</u></p> <ul style="list-style-type: none"> • Five LAC countries have conducted a campaign for positioning recyclers as agents with an economic function who contribute to society and to the environment. 	<ul style="list-style-type: none"> • Midterm and final project evaluations. • Final program progress report (PSR). • Final PSRs for individual projects financed. • Baseline reports. • Report from the strategic communication plan. 	<p>Stakeholders are interested in acquiring knowledge about the socioeconomic inclusion of recyclers.</p> <p>Stakeholders and the general public are willing to change their behavior.</p>

Narrative Summary	Indicators	Means of verification
ACTIVITIES		
1.1 Conduct a study to identify best business practices/models for documenting and transfer.	<ul style="list-style-type: none"> • One report completed before month six. 	<ul style="list-style-type: none"> • Reports available.
1.2 Hold outreach meetings with firms.	<ul style="list-style-type: none"> • At least six dissemination and outreach meetings with firms held before month 12. 	<ul style="list-style-type: none"> • Materials generated by the meetings. • Attendance list at outreach meetings.
1.3 Finance specific projects involving: (a) transfer of methodologies and knowledge; (b) development of new products; (c) process innovation (separation of origin, recycling and green markets); (d) opportunities to develop recycling businesses; and (e) methodologies to earn carbon credits for recyclable materials and pay for environmental services.	<ul style="list-style-type: none"> • At least two knowledge transfer projects selected before month 12. • At least two projects for developing new products/services selected with private sector participation before month 24. • At least two projects to develop business opportunities for recycling products selected before month 24. • At least two process innovation projects selected with private sector participation before month 36. • At least two projects on methodologies for carbon credits for recyclable materials and payment for environmental services selected before the end of the project. 	<ul style="list-style-type: none"> • Project proposals.
2.1 Develop programs and technical curricula for training trainers of recyclers in partnership with leading national entities or professionals in recyclable waste management.	<ul style="list-style-type: none"> • At least four technical training programs (professional development) for recyclers designed and implemented by leading national entities or professionals in recyclable waste management before month 24. • At least four training and awareness products targeted at municipios, large firms and NGOs identified and developed before month 24. • At least four seminars to train trainers for recyclers held before month 36. 	<ul style="list-style-type: none"> • Available training materials for recyclers. • List of recyclers attending seminars and courses, and satisfaction surveys.
2.2 Stimulate interest among large firms.	<ul style="list-style-type: none"> • At least one outreach meeting with large firms before month 12. • At least two outreach workshops with large firms before month 24. 	<ul style="list-style-type: none"> • Available training materials for large firms. • List of recyclers attending seminars and courses, and satisfaction surveys.

Narrative Summary	Indicators	Means of verification
2.3 Train NGO professional staff	<ul style="list-style-type: none"> • At least two technical training workshops held before month 12. • At least three technical training workshops held before month 24. • At least four technical training workshops held before month 36. 	<ul style="list-style-type: none"> • Training materials for NGO professionals. • Lists of workshop participants and satisfaction surveys.
2.4 Train municipal officials	<ul style="list-style-type: none"> • At least one technical training workshop held before month 12 • At least three technical training workshops held before month 24. • At least four technical training workshops held before month 36. 	<ul style="list-style-type: none"> • Training materials for municipal officials. • Lists of participants in workshops and courses, and satisfaction surveys.
2.5 Plan and conduct exchange among government professionals, managers of recycling groups, and firms.	<ul style="list-style-type: none"> • At least four rounds of exchange planned and supported before month 24. • At least eight rounds of exchange planned and supported before month 36. 	<ul style="list-style-type: none"> • Documented results of exchanges.
2.6 Technical assistance for preparing or improving regulatory frameworks for recyclable solid waste management.	<ul style="list-style-type: none"> • At least one call for proposals for technical assistance issued before month 18. • At least 10 proposals received before month 22. • At least six TA matching grants approved before month 24. • At least two proposals for ad hoc technical assistance financing approved before month 36. 	<ul style="list-style-type: none"> • Available materials for calls for proposals • Proposals for technical assistance financing. • Documentation on the selection process
2.7 Provide knowledge services to projects outside the Regional Initiative.	<ul style="list-style-type: none"> • At least one outside project benefiting from knowledge services before month 12. • At least three outside projects benefiting from knowledge services before month 36. 	<ul style="list-style-type: none"> • Reports on the services provided.
3.1 Establish a baseline for the indicators proposed in the Regional Initiative.	<ul style="list-style-type: none"> • Preparation of the baseline before month 6. 	<ul style="list-style-type: none"> • Baseline
3.2 Develop a monitoring system.	<ul style="list-style-type: none"> • Design of the monitoring system contracted before month 6. 	<ul style="list-style-type: none"> • Monitoring system.
3.3 Design an impact monitoring and measurement strategy.	<ul style="list-style-type: none"> • Impact evaluation strategy designed before month 18. 	<ul style="list-style-type: none"> • Impact evaluation form.
3.4 Technical visits to Initiative-financed projects and others	<ul style="list-style-type: none"> • At least two technical visits to projects financed under component I and/or others as deemed necessary before month 24 	<ul style="list-style-type: none"> • Reports from technical visits.

Narrative Summary	Indicators	Means of verification
3.5 Develop the online platform and incorporate its contents.	<ul style="list-style-type: none"> • An online platform for the regional initiative designed and functioning before month 12. • Online data gathering system for identifying successful municipal experiments, PPP and other models launched before month 6. • At least 150 users registered before month 24. 	<ul style="list-style-type: none"> • Website and visit tallies. • Initial mapping reports • Website and contents.
3.6 Identify, document and disseminate knowledge (case studies and business models), best practices and lessons learned.	<ul style="list-style-type: none"> • At least 10 case studies and business models⁴ identified before month 12. • At least six case studies completed before month 24. • At least six business models documented before month 24. • At least 10 case studies completed before month 36. • At least 10 business models documented before month 36. 	<ul style="list-style-type: none"> • Available documented case studies and business models
3.7 Prepare and disseminate sector studies on recyclable materials.	<ul style="list-style-type: none"> • At least four recyclable materials identified for case studies before month 9. • At least two case studies of two specific recyclable materials initiated before month 12. • At least three case studies of three specific recyclable materials initiated before month 24. 	<ul style="list-style-type: none"> • Available studies
3.8 Organize annual regional conferences and national seminars with stakeholders on recycling.	<ul style="list-style-type: none"> • At least two national seminars held before month 12 • at least one conference held before month 12. • At least four national seminars held before month 24. • At least two conferences held before month 24. • At least seven national seminars held before month 36. • At least three conferences held before month 36. • At least 10 national seminars held before the end of the project. • At least four annual conferences held before the end of the project. 	<ul style="list-style-type: none"> • Conference materials. • Attendance list at conferences.

⁴ The case studies and business models will be identified in the mapping exercise under component I.

Narrative Summary	Indicators	Means of verification
4.1 Identify key audiences.	<ul style="list-style-type: none"> • A report identifying key audiences in at least 10 countries of LAC, before month 6. 	<ul style="list-style-type: none"> • Available report
4.2 Design and implement a strategic communications plan.	<ul style="list-style-type: none"> • A strategic communication plan designed before month 12. • A campaign for positioning recyclers launched in two countries before month 24. 	<ul style="list-style-type: none"> • Available strategic plan. • Available positioning campaign plan.
4.3 Establish partnerships.	<ul style="list-style-type: none"> • At least 15 key partners (firms, donors, NGOs, governments and media) identified before month 24. • At least six meetings with potential partners held before month 24. 	<ul style="list-style-type: none"> • Lists of identified partners.

**REGIONAL INITIATIVE FOR THE ECONOMIC AND SOCIAL INCLUSION OF RECYCLERS
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	IDB		Total cofinancing (AVINA + Coca-Cola)	TOTAL
	MIF	AquaFund (INE/WSA)		
Component 1. Financing of projects that offer specific impact opportunities	1,937,500	700,000	1,562,500	4,200,000
1.1 Conduct a study to identify best business practices/models for documenting and transfer	112,500	0	37,500	150,000
1.2 Hold outreach meetings with firms and coinvestors	25,000	0	25,000	50,000
1.3 Finance specific projects	1,800,000	700,000	1,500,000	4,000,000
Component 2. Training, technical assistance and information sharing for stakeholders in the recycling market	734,100	200,000	659,400	1,593,500
2.1 Develop programs and technical curricula for training trainers of recyclers in partnership with leading national entities in recyclable waste management	172,500	25,000	317,500	515,000
2.2 Stimulate interest among large firms	22,000	0	22,000	44,000
2.3 Train NGO professional staff	69,000	0	69,000	138,000
2.4 Train municipal officials	47,000	35,000	49,500	131,500
2.5 Plan and conduct exchanges among government professionals, managers of recycling groups, and firms	47,500	40,000	77,500	165,000
2.6 Technical assistance for preparing or improving regulatory frameworks for recyclable solid waste management	330,000	100,000	50,000	480,000
2.7 Provide knowledge services to projects outside the Regional Initiative	46,100	0	73,900	120,000
Component 3. Documentation of knowledge and learning	317,300	100,000	726,700	1,144,000
3.1 Establish a baseline for the indicators proposed in the Regional Initiative	12,500	0	37,500	50,000
3.2 Develop a monitoring system	20,000	0	0	20,000
3.3 Technical visits to Initiative-financed projects and others	15,000	0	15,000	30,000
3.4 Develop the online platform and incorporate its contents	33,800	0	51,200	85,000
3.5 Identify and document knowledge (case studies and business models), best practices and lessons learned	70,000	25,000	155,000	250,000
3.6 Prepare sector studies on recyclable materials	30,000	15,000	45,000	90,000
3.7 Organize annual regional conferences and national seminars with stakeholders on recycling	136,000	60,000	423,000	619,000
Component 4. Strategic communication with key audiences	126,250	0	395,000	521,250
4.1 Identify key audiences	10,000	0	0	10,000

	IDB		Total cofinancing (AVINA + Coca-Cola)	TOTAL
	MIF	AquaFund (INE/WSA)		
4.2 Design and implement a strategic communications plan	96,250	0	365,000	461,250
4.3 Establish partnerships with media, governments and firms	20,000	0	30,000	50,000
Operating expenses¹	422,550	0	34,500	457,050
Evaluation plan and contingencies	220,000	0	21,900	241,900
Evaluation plan for the Initiative	200,000	0	0	200,000
Contingencies	20,000	0	21,900	41,900
Subtotal	3,757,700	1,000,000	3,400,000	8,157,700
Impact Evaluation Account (5%)	187,885	0	0	187,885
Contribution to the Agenda	54,415	0	0	54,415
TOTAL	4,000,000	1,000,000	3,400,000	8,400,000

¹ Approval is requested from the Donors Committee for the amount of US\$2.2 million. The remaining value (US\$1.8 million) corresponds to future projects that will be submitted to the Donors Committee individually for approval (see paragraph 2.8 of the Donors Memorandum).