



Part I: Project Information

GEF ID

10148

Project Type

EA

Type of Trust Fund

GET

CBIT

CBIT No

Project Title

Minamata initial assessment and national action plan on the artisanal and small-scale gold mining sector in Nicaragua

Countries

Nicaragua

Agency(ies)

UNIDO

Other Executing Partner(s)

UNITAR, Ministry of Environment and Natural Resources (MARENA), Ministry of Energy and Mines (MEM), Ministry of Health (MINSA) and Natural Commission for Registration and Control of Toxic Substances (CNRCTS)

Executing Partner Type

Others

GEF Focal Area

Chemicals and Waste

Sector

Taxonomy

Focal Areas, Chemicals and Waste, Mercury, Capacity, Knowledge and Research, Coal Fired Industrial Boilers, Non Ferrous Metals Production, Coal Fired Power Plants, Cement, Artisanal and Scale Gold Mining, Enabling Activities

Rio Markers

Climate Change Mitigation

No Contribution 0

Climate Change Adaptation

No Contribution 0

Biodiversity

Land Degradation

Type of Reports	Submission Date	Expected Implementation Start	Expected Completion Date	Expected Report Submission to Convention
ASGM National Action Plan (ASGM NAP)	11/6/2019	1/1/2020	12/1/2021	6/1/2022
Minamata Initial Assessment (MIA)	11/6/2019	1/1/2020	12/1/2021	6/1/2022

Duration

24In Months

Agency Fee(\$)

66,500.00

A. FOCAL/NON-FOCAL AREA ELEMENTS

Objectives/Programs	Trust Fund	GEF Amount(\$)	Co-Fin Amount(\$)
CW-EA	GET	700,000.00	30,000.00
		Total Project Cost(\$) 700,000.00	30,000.00

B. Project description summary**Project Objective**

National capacity and capability improved for prevention and management of mercury use, through the preparation of a Minamata Convention Initial Assessment (MIA) and a National Action Plan (NAP) for the artisanal and small-scale gold mining (ASGM) sector

Project Component	Expected Outcomes	Expected Outputs	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
Minamata Initial Assessment (MIA)	1. MIA drafted, validated and ready for submission		175,000.00	5,000.00

1.1: Project coordination mechanism established and institutional gaps identified.

1.2: Existing mercury regulations reviewed and policy reforms identified to prepare for implementation of the Minamata Convention.

1.3: A national mercury profile is established, based on the initial inventory and key sectors identified for intervention and investment to reduce, and where possible eliminate, the use, release and emissions of mercury.

1.4: Information is disseminated among relevant actors (academia, public and private sectors, and civil society).

1.5: MIA drafted, finalized and presented to relevant stakeholders.

NAP	<p>2. Improved understanding of the scope of mercury in the artisanal and small-scale gold mining (ASGM) sector and strengthened national capacity to implement Article 7 of the Minamata Convention.</p>	<p>2.1: Establishment of a National ASGM coordination and information dissemination mechanism.</p> <p>2.2: A comprehensive national analysis of the ASGM sector is completed to support the development of the roadmap to reduce mercury emissions and releases.</p> <p>2.3 The needs assessment for institutional capacity to develop an environmental and public health strategy dedicated to the ASGM sector is completed.</p> <p>2.4: Rapid assessment of the health situation carried out; leading to the initiation of the public health strategy drafting, including a curriculum for</p>	325,500.00	15,000.00
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professionals and
awareness-raising
workshops.

NAP	3. NAP drafted, validated and ready for submission	3.1: NAP is drafted, finalized and presented to relevant stakeholders.	110,000.00	10,000.00
M&E	4. The project achieved its objectives	4.1. Regular monitoring is completed and final evaluation conducted	27,000.00	
Sub Total (\$)			637,500.00	30,000.00
Project Management Cost (PMC)				
			62,500.00	
Sub Total(\$)			62,500.00	0.00
Total Project Cost(\$)			700,000.00	30,000.00

Please provide justification

C. Source of Co-Financing for the Project by Name and by Type

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount(\$)
GEF Agency	UNIDO	Grant	Recurrent expenditures	17,250.00
GEF Agency	UNIDO	In-kind	Recurrent expenditures	12,750.00
			Total Co-Financing(\$)	30,000.00

Describe how any "Investment Mobilized" was identified

N/A

D. GEF Financing Resources Requested by Agency, Country and Programming of Funds

Agency	Trust Fund	Country	Focal Area	Programming of Funds	Amount(\$)	Fee(\$)	Total(\$)
UNIDO	GET	Nicaragua	Chemicals and Waste	Mercury	700,000	66,500	766,500.00
Total Gef Resources(\$)					700,000.00	66,500.00	766,500.00

Part II. Enabling Activity Justification

A. ENABLING ACTIVITY BACKGROUND AND CONTEXT

Provide brief information about projects implemented since a country became party to the convention and results achieved

The Minamata Convention on Mercury is a global treaty that seeks to protect human health and the environment from the adverse effects of mercury. The global instrument is legally binding and was accepted at the fifth session of the Intergovernmental Negotiating Committee in Geneva, Switzerland on 19 January 2013. The treaty was formally adopted that same year on 10 October at the Diplomatic Conference (Plenipotentiary Conference) in Kumamoto, Japan. 128 countries signed the treaty and 101 countries have ratified it to date. Nicaragua signed the treaty on October 10, 2013 and ratified it on October 29, 2014.

The Minamata Convention has an approach to phase out, to the extent possible, the use of mercury in key industrial sectors in relation to the Convention's mandate. The provisions of the Convention include: eliminating time limits for sources of supply and trade, products with added mercury, and manufacturing processes in which mercury and its compounds are used. Based on these objectives, the Convention is automatically designed to reduce emissions to air and releases to soil and water of mercury and its compounds; as well as to phase out the use of mercury where alternatives exist.

In recent years, Nicaragua has signed various international commitments to regulate and control the use, management and final disposal of chemicals and their wastes, such as the Basel Convention on Transboundary Movements of Hazardous Wastes and their Final Disposal, the Central American Agreement on the Transboundary Movement of Hazardous Wastes and their Disposal, the Stockholm Convention on Persistent Organic Pollutants (POPs), the Vienna Convention for the Protection of the Ozone Layer and the Minamata Convention on Mercury.

The Republic of Nicaragua became a signatory to the Minamata Convention on 10 October 2013. Aware of the threat that mercury can pose to human health and the environment worldwide, the Government has actively participated in international programs and agreements related to the issue, through the leadership of the Ministry of Environment and Natural Resources (MARENA).

The National Assembly of the Republic of Nicaragua in Decree No. 7549 of September 4, 2014, approved the Minamata Convention on mercury and its annexes A, B, C, D and E. It establishes that it is necessary to strengthen the legal framework and to generate technical and technological capacities, as well as, the attraction of economic resources to establish strategies and actions in order to face the risks that it represents for human health and the environment, the anthropogenic emissions and releases of mercury and its compounds. Consequently, Nicaragua ratifies the Convention on October 29, 2014, thus approving the legal effects inside and outside the country.

In order for Nicaragua to comply with its obligations under the Convention, several barriers must be addressed. These are:

(a) Institutional barrier: Institutional capacity building is required to implement this agreement. Since mercury involves several entities, an intersectoral approach is considered necessary;

- (b) Political barrier: The legislative and policy framework is not adjusted to support the provisions set out in the agreement;
- (c) Awareness barrier: There is little knowledge in both the private sector and the government regarding health hazards caused by mercury and its compounds with limited occupational safety mechanisms to reduce community exposure to mercury and its compounds; and
- (d) Technology barrier: There is limited knowledge of mercury-free technologies and they are not available in the country.

With the adoption of the Convention, Nicaragua will require assistance in formulating and implementing a comprehensive program through cost-benefit analysis within the context of its national development efforts.

The Political Constitution establishes that Nicaraguans have the right to live in a healthy environment and it is the obligation of the State to preserve, conserve, and rescue the environment and natural resources. The State may enter into contracts for the rational exploitation of these resources when the national interest so requires. The Environmental Policy and Plan of Nicaragua, aims to contribute to the welfare and integral development of the human being, using natural resources in a sustainable manner, through an environmental management that harmonizes economic and social development.

The National Policy for the Integral Management of Hazardous Substances and Wastes was approved by Decree No. 91-2005, approved on November 21, 2005, and published in La Gaceta No. 230 of November 28, 2005.

From the legal point of view, the National Policy for the Integral Management of Hazardous Substances and Wastes is a reference framework. It provides the principles that guide the plans, programs, strategies and actions of the public administration, the civil society of the Nicaraguan population in general, as well as building the system to achieve efficient management of hazardous substances and waste, during the different stages of their life cycle and provide the opportunity for sustainable development.

Within the framework of the National Policy, the regulation, control and use of all chemical substances, wastes and hazardous wastes in the country will be implemented, in accordance with the national chemical safety policy. The objective is to protect the human health of people directly and indirectly exposed in the handling of substances and wastes.

The Law No. 217, General Law on the Environment and Natural Resources, was approved on March 27, 1996 and published in La Gaceta No. 105 of June 6 of the same year. Its purpose is to establish norms for the conservation, protection, improvement and restoration of the environment and its natural resources, ensuring their rational and sustainable use, in accordance with the Political Constitution. Article 8 assigns the Ministry of the Environment and Natural Resources as the regulating and normative entity of the country's environmental policy, is responsible for compliance with this Law and will monitor the implementation of the provisions established in it.

The Decree No. 9-96 was published in La Gaceta No. 163 of August 29, 1996, where the Regulation of the General Law of the Environment and Natural Resources was dictated. The purpose of this Decree is to establish the general regulatory norms for environmental management and the sustainable use of natural resources within the framework of Law No. 217; General Law of the Environment and Natural Resources.

The Ministry of the Environment and Natural Resources (MARENA) is the governing entity of environmental regulation and has the observance of the General Law of the Environment, regulating through the General Directorate of Environmental Quality the System of Environmental Evaluation of Permits and

Authorizations for the Sustainable Use of Natural Resources (Decree 20- 2017), where environmental provisions are established for the development of projects of mineral benefit plants.

The National Commission for Registration and Control of Toxic Substances (CNRCST), created by Law 941, aims to regulate, implement, facilitate, develop and coordinate policies, actions and activities related to the import, export, production, marketing, distribution, use and consumption of everything related to toxic substances. The functions include representing Nicaragua before national, regional and international bodies involved in the proper management of chemical substances. This commission is responsible for administering and applying the international instruments ratified by the Republic of Nicaragua in the area of chemical safety and other laws related to its competence.

Minamata Initial Assessment

The elaboration of a national inventory of mercury and its compounds will provide useful information such as:

- (a) The import, distribution, storage, supply, trade and transboundary movement of mercury wastes and their compounds;
- (b) Uses, stockpiles and their location of mercury and its compounds in different sectors;
- (c) The management of mercury products, mercury compounds and mercury wastes; and
- (d) Identification and estimation of the national level of contamination of mercury and its compounds.

The mercury inventory will be carried out using the tools designed by UNEP. Concretely, Nicaragua will apply Level 2 of the Mercury Inventory Toolkit in order to provide a more accurate analysis of the situation.

The development of the Initial Assessment of the Minamata Convention (MIA) provide basic and essential information to implement policies and strategies for decision making, as well as development plans that identify the priority sectors and main activities of mercury and its compounds carried out in the country.

National Action Plan (NAP) for the ASGM sector

The treaty has an approach to gradually reduce and, where possible, eliminate the use of mercury in key industrial sectors. The provisions of the Convention include timelines for sources of supply and trade, products with added mercury and manufacturing processes in which mercury and/or mercury compounds are used. As the ASGM sector is an important source of mercury release, affecting the health of many communities and pollution of the world's environment, Article 7 of the Convention determines that countries where ASGM activities are more than insignificant must develop a NAP in order to reduce the use of mercury and mercury compounds within three years after the treaty enters into force.

In accordance with Article 7 and Annex C of the Convention, as well as the Global Environment Facility (GEF), it is noted that each signatory Party that is subject to the provisions of paragraph 3 of the Article shall include in its NAP:

- (a) National objectives and targets for mercury removal;
- (b) Measurement and control strategies for mercury use worst practices;
- I. Gold amalgamation with mercury;

- II. Exposure of amalgam burning or processed amalgam;
 - III. Burning of amalgam in residential areas; and
 - IV. Leaching of cyanide in sediment, in crude ore or rocks containing added mercury, without first removing the mercury.
- (c) Control measures in the formalization and environmental regulation of ASGM;
 - (d) Reference estimates of the quantities of mercury used and the practices used in the extraction and treatment of artisanal and small-scale gold in its territory;
 - (e) Promotion of strategies for mercury-free methods;
 - (f) Strategies for the management and control of illegal trade in mercury and its compounds, both in domestic and external sources for use in the extraction and processing of gold in ASGM;
 - (g) Strategies to engage stakeholders in the implementation and continued development of the National Action Plan;
 - (h) A draft initial public health strategy on the study of mercury concentrations in mining; and people exposed in the use and handling of mercury, as well as mercury emissions and releases into air, water and soil; including the collection of health data, training for health workers, and raising awareness in health centers;
 - (i) Strategies to prevent exposure of vulnerable populations to mercury used in artisanal and small-scale gold mining, particularly children and women of childbearing age, especially pregnant women;
 - (j) Strategies to provide information for artisanal and small-scale gold miners in communities where mining takes place or communities affected by the activity; and
 - (k) Develop a timeline for the implementation of the National Action Plan.

While an explicit focus on health activities is not included in the NAP, the plan proposal could contain the actions stipulated in Article 16 of the Convention linked to this area.

The NAP will also include a roadmap to reduce mercury use in the sector including potential sources of funding for implementation and the conduct of an available technical and economic cost-benefit analysis of techniques and technologies that contribute to replacing and preventing the use of mercury.

The gold mining sector is the third most important export sector in the country, with US\$442.5 million and an estimated production growth of 10%. The number of direct jobs generated by the gold mining industry is more than 3,500, and it is estimated that about 35,000 artisanal miners process throughout the country. At this stage, it is estimated that more than 15,000 people are linked to mining activities using mercury.

In Nicaragua, ASGM is not regulated by any Nicaraguan Mandatory Technical Norm (NTON), however, it is regulated according to the General Law of Mines, Law No. 387 and its regulations, where it mandates that industrial mining companies must grant 1% of their concessions to ASGM. Likewise, small mining is defined as all those natural or legal persons that process less than 15 tons per day.

Most mining concessions are located in the country's Northern Caribbean Coast Autonomous Region; however, there is also a marked concentration of concessions in the Central Zone and in some municipalities in the West and North.

In northwestern and northern Nicaragua, these are the growing mining districts that have the greatest access to mercury, little institutional development around mining, and fewer substitution options (very little knowledge and difficult access to technology).

The Ministry of Energy and Mines (MEM) has the functions of elaborating policies and norms for the administration, sustainable and efficient use of mineral resources and managing the use and exploitation of the State's mineral resources through concessions, licenses, permits and authorizations, among others, being the rector of the application of Law 387, the Special Law on the Exploration and Exploitation of Mines, which establishes the legal framework for the rational use of the nation's mineral resources, published in 2001. It is empowered to issue Small Mining Licenses and Special Permits for artisanal mining. According to Law 387, concessions must be granted within a maximum of 120 days from receipt of the application for the Caribbean Coast and 90 days for the rest of the country.

The social description of the ASGM population has certain characteristics that may differ from one municipality to another, but in general we can identify: little economic diversification, greater use of mercury in the western zone (easy access to mercury, little experience); at the national level there is an estimated presence of 30% of women in activities associated with mining (distribution of food, sale of clothing), which are responsible for meeting certain complementary needs; the zone of the mining triangle and Chontales is where there is a greater presence of "planteles" (area of liberation of gold from the mineral through different techniques); with a wide diversification of academic degrees.

The Garifuna people of the Caribbean Coast of Nicaragua, perform the gold extraction in summer, commonly on the banks of rivers and in certain very specific areas, this material is processed with the use of mercury amalgam and leaves of "chagüite" (banana leaves), to which heat is applied to obtain certain gold content; it is important to emphasize that this is one of the ways in which more mercury is released. These communities are characterized by difficult access, little knowledge about alternatives to mercury use and domestic extraction-processing.

Empresa Nicaragüense de Minas (ENIMINAS) is a public company decentralized from the State under the sectorial rector of the Ministry of Energy and Mines. It has technical, administrative and financial autonomy, a commercial business with legal entity, an indefinite duration and full capacity to acquire rights and contract obligations. Its purpose is the execution and development of the exploration and rational exploitation of the country's mining resources in accordance with the provisions established in Law No. 387.

ENIMINAS is an institution with marked roles in relation to the ASGM sector, based on its creative law, Law 953 of July 6, 2017, which in its Article 5, paragraph 5, establishes: "In order to contribute to the regulation of small-scale mining, to the eradication of mercury in artisanal processing and in order to promote the use of good environmental practices, this company may install benefit plants for processing mineral substances in mining reserve areas, for which it must comply with the provisions established by the laws on the subject. The capacity of the mineral processing benefit plants will depend on the volume to be processed according to the corresponding technical studies.

In this context, Law 953 allows ENIMINAS to promote scientific and technological research programs on mineral resources. Considering that the ASGM sector is geographically located in the majority of the mining reserve areas, it also has the power to establish and promote societies, cooperatives and other forms of association to develop artisanal mining and small-scale mining, expressly exposing its work with the ASGM sector.

Recently, the national environmental and mining policy has been reaffirmed and expressed in the Human Development Plan (PNDH) 2012-2016, which has been promoted since 2007 by the Government of National Reconciliation and Unity (GRUN); whose objective is to promote the use of mining technologies that diminish the environmental impact; to promote and create conditions for mining activity; to promote strategies for the competitive development of the sector,

as well as the control and supervision of the extraction and use of mining resources; to develop actions that favor the growth and development of small mining and industry, especially that based on the family, community and cooperative economy, as well as the reduction of environmental pollution.

Several activities related to small-scale mining have been implemented in the country, the most noteworthy being those listed below.

MARENA (2006-2008): With the cooperation of the Governments of Denmark, Sweden and Finland, the Small Projects Fund (SPF) was implemented for activities with small-scale miners and artisanal miners who use mercury. They carried out demonstration projects through the implementation of less polluting technologies, such as the implementation of retort among others, allowing mercury not to be disposed of directly in water sources near the mills, as well as the reduction of environmental vapors and savings in the use of this heavy metal.

In 2006 the Center for Research in Aquatic Resources of the National Autonomous University of Nicaragua -CIRA/UNAN (2006)- developed an environmental diagnosis of the Siquia and Mico rivers in the mining area of the department of Chontales, where concentrations of up to 58 µg/l were found in the river water in Santo Domingo and 0.7 µg / g in the sediments of the Santa Isabel and Carquita rivers in La Libertad, Chontales, in the concessions of La Libertad (Desminic-B2GOLD) and Santo Domingo (wild boar).

In addition, with the support of other donors, such as the US Environmental Protection Agency (USEPA), through UNITAR, in 2010, a diagnosis was prepared for the Evaluation of National Capacities on Mercury Management in Nicaragua, having gathered information from different sectors and key actors to provide a general description of the mercury situation in the country, information on existing legislation that did not specifically address mercury management, management institutions involved, available capacities, gaps, use in artisanal and small-scale (irregularly) mining, products circulating in the country containing mercury, and implementation of activities for the proper management of mercury.

A project entitled "Actions for the control of Mercury contamination in the water and hydro-biological resources of Lake Xolotlán (Managua)" was implemented in 2016-2017, with the cooperation of JICA and directly involved MARENA, MINSA, CIRA - UNAN, as well as the National Commission for Registration and Control of Toxic Substances, INPESCA and IPSA. It included the participation and guidance of Japanese experts. Sampling was carried out to determine the presence of mercury in biological samples, in sediment and in human hair, as well as to determine the natural and anthropogenic sources of mercury emissions in Lake Managua and surrounding populations.

Ministry of Health (MINSA) has not purchased thermometers or blood pressure monitors with Mercury for 6 years, and has trained health personnel in the diagnosis, treatment and prevention of mercury poisoning. From 2015 to 2017 MINSA coordinated a working group that carried out an analysis of the health risk of fish populations in Lake Managua, through the measurement of Methyl Mercury in hair.

The request for financial support from the Global Environment Facility (GEF) Chemicals and Wastes focal area is justified by investing in supporting activities to help nations meet essential communication requirements related to the Convention, make informed policy decisions, and help prioritize activities.

The activities of the MIA and NAP will complement national efforts to significantly reduce exposure to hazardous chemicals and wastes of global importance to human health and the environment.

In addition, the project will strengthen Nicaragua's national capacity to comply with the obligations of the Minamata Convention and promote the effective implementation of its provisions. To achieve this, the proposed activities will help the Government and industry partners to better understand national mercury related operations and emissions and raise awareness of risks to human health and ecosystems.

With the support of the GEF, sources of pollution will be systematically identified that will allow areas to be selected for future interventions. Institutional needs assessments, as well as policy analysis, will help Nicaragua identify possible barriers to implementing the Convention. GEF resources will also help the country to disseminate the project's achievements at the national level and will help gain international support as well as investments for additional projects in Nicaragua and promote sound management of chemicals as a key component of inclusive and sustainable industrial development.

B. ENABLING ACTIVITY GOALS, OBJECTIVES, AND ACTIVITIES

The proposal should briefly justify and describe the project framework. Identify also key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable. Describe also how the gender equality and women's empowerment are considered in project design and implementation

The results of the proposed project will improve national capacity to establish a strategy that contributes to the fulfillment of Nicaragua's commitments to the Minamata Convention, the strengthening of the capacity of stakeholders involved in mercury management in the ASGM sector, and the finalization of the NAP and validation with stakeholders for submission to the Minamata convention secretariat by the government of Nicaragua.

The project activities will complement the needs for the elaboration of the MIA and NAP, through assistance to the government and relevant partners in the sector linked to uses, emissions and releases of mercury and its compounds in all uses, using the methodology developed by UNEP and a legislative gap analysis with respect to mercury issues in Nicaragua.

The project will support ASGM in the country in formulating a clear roadmap to prevent, reduce the use and/or eliminate, if feasible, the use of mercury, through raising awareness of the risks to human health and the country's ecosystems. this will include:

- (a) analysis of the ASGM sector, including the main mining areas, miners and private sector involved, stakeholders, level of formalization and other relevant information, as well as an assessment of women's and children's participation;
- (b) inventory, with the amount of mercury used, and practices employed in the ASGM sector in the country;
- (c) assessment of institutional capacity in the health sector, mainly in areas where ASGM activities are taking place, to collect data on the population's mercury exposure, and to conduct training and awareness-raising activities;
- (d) baseline on consumption of mercury and other harmful chemicals including cyanide;
- (e) options for the elimination of practices specified in annex c of the convention;
- (f) strategies to prevent mercury exposure, together with health authorities with a special focus on vulnerable populations, such as women and children;
- (g) definition of measures for the formalization of the ASGM sector;
- (h) strategies to manage trade and prevent mercury diversion;
- (i) strategies to involve stakeholders in the implementation and ongoing development of the NAP;
- (j) awareness-raising activities targeting ASGM miners and affected communities, as well as national and regional legislators;
- (k) a roadmap for mercury reduction in the sector, including necessary interventions and possible sources of funding for subsequent implementation.
- (l) strategies that provide information on ASGM in the mining sector, and affected communities
- (m) timeline for the implementation of the national action plan.
- (o) evaluation of the institutional capacity in the environmental sector, mainly for monitoring in the areas where ASGM activities are carried out, in order to determine the contamination and sources of mercury release in the environmental and biological matrices, through the implementation of actions focused on the formation of values and positive attitude change for the care and protection of mother earth.

The project will focus on evaluating the departments and/or municipalities with the greatest artisanal and small-scale mining activity, where mercury is used. GEF resources will help Nicaragua identify and prioritize the most sensitive areas for future investments and interventions through the promotion of sound management of chemicals as a key component of green industrial growth.

Most of the socio-economic benefits associated with this project will manifest when the necessary interventions under the Convention are implemented, contributing to the achievement of Sustainable Development Goals 3 (good health and well-being), 6 (clean water and sanitation), 9 (industry, innovation and infrastructure), 12 (responsible consumption and production), 15 (life on earth).

Key stakeholders will be consulted and involved throughout the project implementation process as follows.

UNIDO will act as the GEF Implementing Agency for the project. In addition, to oversight and supervision, the UNIDO Project Manager will provide continuous technical advice as needed.

UNITAR will act as the main executing entity providing technical expertise for the development of all mercury-related activities and other aspects related to the Minamata Convention as well as the responsible development of the ASGM sector. These activities will be executed via contractual arrangement to UNITAR. The contracting process will be administered in line with UNIDO's rules and regulations.

The following entities will co-execute the project: the Ministry of Environment and Natural Resources (MARENA), the Ministry of Energy and Mines (MEM), the Ministry of Health (MINSAs) and the National Commission for Registration and Control of Toxic Substances (CNRCST) in coordination with other relevant institutions. For more information, please refer to the Execution Arrangements (Annex B).

The Ministry of Environment and Natural Resources (MARENA) will be the main institutional counterpart and act as PMU, providing national leadership to the present initiative, being responsible for the day-to-day management of the project and providing technical expertise in artisanal mining for the development of all activities related to mercury and other aspects of the Minamata Convention, as well as the responsible development of the ASGM sector. MARENA will act as president and secretariat of the Inter-Institutional Technical Committee (CTI) that will be established to follow up this initiative and will organize activities that will be approved monthly by the senior management.

The Inter-Institutional Technical Committee (CTI) will be established as a coordinating body for this initiative, and will be made up of technical and normative representatives from MARENA, MINSAs, CNRCST, MEM, ENIMINAS, INIFOM, UNIDO and UNITAR. The CTI will provide the strategic inputs and contributions needed for management.

Any potential project modifications will be carried out in accordance with UNIDO rules and regulations and the GEF standards called "GEF Project and Programmatic Approach Cycles" (GEF/C.39 / Inf.3), "GEF Project and Program Cycle Policy (GEF/C.50/08/Rev.01) and "Guidelines on the Project and Program Cycle Policy" (GEF/C.52/Inf.06/Rev.01).

The Ministry of Energy and Mines (MEM) and ENIMINAS will provide national leadership and technical support to activities related to the ASGM sector in close collaboration with MARENA, UNITAR and CTI.

The Ministry of Health (MINSAs), responsible for regulations and governance related to public health. For this initiative, it will provide national leadership and technical support to health-related activities, in close collaboration with MARENA and UNITAR.

The National Commission for Registration and Control of Toxic Substances (CNRCS), as a decentralized entity attached to the Office of the President of the Republic, will play a strategic leadership role with respect to normative aspects that could arise during the analysis of regulatory gaps related to toxic substances.

The Nicaraguan Institute for Municipal Development (INIFOM) is the government entity in charge of strengthening the country's municipalities. It implements training programs for municipalities, conducts studies and research on topics of municipal interest, provides technical advice, and promotes environmental education.

The Directorate General of Customs (DGA), an entity whose mission is to facilitate foreign trade operations, applying the current legal framework and carry out the control of goods. This body will work in coordination with the institutions that regulate the issue of Chemical Safety.

ASGM miners, the Nicaraguan Chamber of Mining, the Chamber of Jewelers, mining communities and Garifuna people will be encouraged to attend the preparation of the National Action Plan. This stakeholder network will work with miners to raise awareness, share knowledge and promote technology transfer to promote the prevention and reduction of mercury use in the sector.

Parties interested in the use of mercury and its compounds, as well as ASGM, including academia, non-governmental organizations and the private sector, will participate in the development of the strategy for compliance with the Minamata Convention, as well as the NAP. This stakeholder network will be involved in raising awareness of mercury users to increase awareness, share knowledge and promote technology transfer to reduce or eliminate the use of mercury and its compounds. Municipal, regional and territorial governments will also be involved.

A team of subject matter experts composed of national and international consultants as well as technical specialists will be recruited to provide technical support during the implementation of this project. The team will be selected on the basis of its technical expertise to assist in the development of a comprehensive analysis of mercury-related activities and to plan activities to improve national capacity.

In addition and in agreement with the counterparts, a national project coordinator (NPC) and a team of experts will be recruited under this project as part as the execution support.

Since the level of mercury exposure and subsequent impact on human health are determined by social and biological factors, women, children and men may be exposed to different types, frequencies and levels of mercury. Therefore, gender inclusion and integration will be incorporated as a fundamental part of the project.

This issue will be addressed based on UNIDO's gender policy, which includes, among other measures, promoting the participation of women and vulnerable groups in information exchange and dissemination events, in the project coordination unit and in the national committee, as well as in stakeholder groups (e.g. by consulting women during the analysis of the ASGM sector and during the assessment of the health impacts of mercury use).

Special attention will be paid to gender equality when assessing and inviting members to participate in the Inter-Institutional Technical Committee and when inviting different actors to awareness-raising workshops. During the staff selection process, female candidates will be encouraged to apply. If two candidates have similar technical qualifications, preference will be given to women.

Strategies to mitigate gender inequality, prevent child labour and protect Garifuna people will be part of the proposed NAP.

C. DESCRIBE THE ENABLING ACTIVITY AND INSTITUTIONAL FRAMEWORK FOR PROJECT IMPLEMENTATION

Discuss the work intended to be undertaken and the output expected from each activity as outlined in Table A

This project sets out the activities necessary to prepare an MIA and NAP to support the efficient implementation of the Minamata Convention within the national context. It also sets out the activities needed to improve national capacity and mercury management in various sectors, including ASGM, through the preparation of a National Action Plan.

The project will help Nicaragua plan these activities while incorporating sound mercury management into legal and institutional structures that are fully aligned with national priorities.

The initiative will also help the country gather baseline information on mercury use, emissions and releases that will serve as input for the design of future interventions required by the treaty, such as the development of a National Implementation Plan that the Conference requires from the parties.

The project will also provide an assessment of the situation in the artisanal gold sector as well as an inventory/characterization of ASGM that will assist in the design of future interventions to meet Convention obligations. The actions contained in the NAP will generate global environmental and socio-economic benefits, as well as transform mercury management into a priority on the country's sustainable development agenda.

The activities planned by product are listed below:

Output 1.1: Project coordination mechanism established and institutional gaps identified

Activity 1.1.1 Establish an Inter-Institutional Technical Committee (ITC) to follow up the project. (ITC will carry out the same functions as the Project National Steering Committee)

Activity 1.1.2 Conduct national project coordination meetings.

Activity 1.1.3 Identify institutional capacity gaps and barriers.

Activity 1.1.4 Organize capacity building and training workshops.

Output 1.2: Existing mercury regulations reviewed and policy reforms identified to prepare for implementation of the Minamata Convention.

Activity 1.2.1 Evaluate existing policy structures, strategies, laws and regulations.

Activity 1.2.2 Inform policy makers of the importance of including mercury regulation in the existing national legal framework in order to have instruments for compliance with the Minamata Convention.

Activity 1.2.3 Prepare a list of necessary regulations related to mercury and its compounds taking into consideration the vulnerabilities of different gender groups.

Output 1.3: A national mercury profile is established, based on the initial inventory and key sectors identified for intervention and investment to reduce, and where possible eliminate, the use, release and emissions of mercury.

Activity 1.3.1 Conduct national capacity training on the inventory of mercury and its compounds.

Activity 1.3.2 Identify key stakeholders that contribute to reduce/eliminate use.

Activity 1.3.3 Collect information for the initial national inventory of mercury and its compounds (mercury emission and release sources, vulnerable actors, among others).

Activity 1.3.4 Draft initial national inventory of mercury and its compounds.

Output 1.4: Information is disseminated among relevant actors (academia, public and private sectors, and civil society).

Activity 1.4.1 Develop communication materials taking into account the impacts of mercury and its compounds, as well as the vulnerability of different gender groups.

Activity 1.4.2 Organize and carry out awareness-raising campaigns and workshops to adapt the timing and location of events to the needs of different gender groups.

Output 1.5: MIA drafted, finalized and presented to relevant stakeholders.

Activity 1.5.1 Draft the MIA according to the inventory and its analysis.

Activity 1.5.2 Develop intervention plans.

Activity 1.5.3 Conduct stakeholder validation meetings.

Activity 1.5.4 Finalize the MIA.

Activity 1.5.5 Define the date of implementation of an action plan derived from the MIA.

Output 2.1: Establishment of a National ASGM coordination and information dissemination mechanism.

Activity 2.1.1: Conduct a national start-up workshop.

Activity 2.1.2: Establish national ASGM coordination mechanisms (CTI will also be the coordination mechanism for the NAP activities)

Activity 2.1.3: Develop strategies to involve stakeholders in the implementation and ongoing development of the NAP.

Activity 2.1.4: Develop communication materials, taking into account the impacts of mercury on different gender groups.

Activity 2.1.5: Organize and conduct events and workshops to disseminate and share information, taking into account the time and geographical constraints of both men and women.

Output 2.2: A comprehensive national analysis of the ASGM sector is completed to support the development of the roadmap to reduce mercury emissions and releases.

Activity 2.2.1: Collect and analyze data on the ASGM sector (e.g., amount of mercury used and practices employed; number of major gold mines and miners; stakeholders, including miners, indigenous, ethnic and Afro-descendent communities and the private sector, as well as the level of formalization of the sector).

Activity 2.2.2 Define national and mercury use objectives and reduction targets.

Activity 2.2.3 Define measures to facilitate the formalization or regulation of the ASGM sector.

Activity 2.2.4 Finalize strategies to promote the reduction of mercury use and consequently mercury emissions and releases in the sector and actions to eliminate the worst practices mentioned in Annex C of the Minamata Convention.

Activity 2.2.5 Identify possible sources of funding needed to implement the roadmap as part of the NAP.

Output 2.3: The needs assessment for institutional capacity to develop an environmental and public health strategy dedicated to the ASGM sector is completed.

Activity 2.3.1 Consult Directors and health personnel of the different municipalities where ASGM exists, representatives of various ministries and other stakeholders.

Activity 2.3.2 Identify institutional capacity gaps/barriers

Activity 2.3.3 Finalize the needs assessment report related to institutional capacity on public health.

Output 2.4: Rapid assessment of the health situation carried out; leading to the initiation of the public health strategy drafting, including a curriculum for professionals and awareness-raising workshops.

Activity 2.4.1 National Consultancy for the diagnosis of mercury exposure and health situation of miners in areas with presence of artisanal mining in the country*.

Activity 2.4.2 Plan and adapt the survey tools to the Nicaraguan context.

Activity 2.4.3 Conduct consultation with the community and health service providers in selected ASGM areas.

Activity 2.4.4 Analyze the data collected and prepare recommendations.

Activity 2.4.5 Initiate the elaboration of a public health strategy for the ASGM sector taking into account the vulnerability of different gender groups.

Activity 2.4.6 Development and distribution of educational materials for communities in areas exposed to mercury by ASGM.

Activity 2.4.7 Final workshop for delivery of results to stakeholders.

*Note: primary monitoring (i.e. human biomonitoring) is considered outside the scope of the project and the rapid assessment of the health situation. The main objective of the rapid assessment is to identify health behavioral patterns among miners and their families in order to determine the most effective entry point for creating a link with them. For example, in cases where miners do not use health services in ASGM, awareness-raising efforts may be necessary through mobile clinics or as part of other social mobilization efforts undertaken by the health sector. The Rapid Health Situation Assessment also seeks to identify the current capacities of local health centers to identify and address ASGM-related health problems. This latter information is necessary to work on the design and message of the training activities that will be carried out within the framework of the NAP. In this aspect, synergies with ENIMINAS and MEM should be considered because through mining censuses, monitoring, surveillance and control of the Mining Reserve Areas, study groups that have some stability can be selected.

Output 3.1: NAP is drafted, finalized and presented to relevant stakeholders.

Activity 3.1.1 Draft the NAP in accordance with the comprehensive analysis report (Output 2.2) and in line with the NAP guidance document.

Activity 3.1.2 Conduct stakeholder validation meetings.

Activity 3.1.3 Finalize the NAP.

Activity 3.1.4 Define NAP implementation date.

Please refer to the attached logical framework in Annex C for more information on specific outputs, their associated indicators, verifications and assumptions.

D. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT

The GEF resources will help the Nicaraguan government and its partners understand the use of mercury throughout the country as well as in the ASGM sector and how to minimize it, as well as increase awareness of the risks to human health and the environment.

The resources will also help broaden the dissemination of the project's achievements at the national level to promote other initiatives in the future. The GEF will not only help streamline interventions and capacity building efforts related to the ASGM sector, but will also ensure that key stakeholders involved in compliance with Article 7 and Annex C of the Convention are sufficiently aware of and committed to the design and delivery of the activities outlined in the roadmap.

To ensure cost-effectiveness, the infrastructure and human resources of the government counterpart and executing agency involved in the project will be used efficiently. Most project activities will be carried out by national experts. This will help improve local and national capacity to manage mercury and contribute to the cost effectiveness of the project by reducing consultancy fees and travel expenses.

Project implementation and execution is expected to be low risk. UNIDO has strong experience in promoting environmentally sound management of mercury in the ASGM sector and in developing MIA both in Latin America and in other regions, and plays an important role at the global level by co-leading the artisanal and small-scale gold mining sector and the uses, emissions and releases of mercury in different industrial sectors within the Global Mercury Partnership - the main mechanism and technical advisory group of the Minamata Convention.

In addition, UNIDO also has extensive experience in supporting activities related to the Stockholm Convention National Implementation Plans and their updates.

In the same vein, support activities to implement the Stockholm Convention on Persistent Organic Pollutants (POPs) have already been developed in the Republic of Nicaragua by UNIDO with GEF resources. In addition, UNIDO is carrying out activities under the Montreal Protocol.

The mercury MIA and NAP project will complement the country's efforts to significantly reduce exposure to chemicals and wastes of global significance harmful to humans and the environment. The presence of UNIDO offices in the country and the region is also ensure the smooth running of project activities.

UNITAR has experience supporting countries in the development of the NAP and MIA related activities. UNITAR has supported a number of countries to strengthen their national capacities to manage mercury and comply fully with the national obligations of the Minamata Convention. Areas of support include capacity building and training, policy reform, development of national action plans for artisanal and small-scale gold mining (ASGM) and Minamata Initial Assessments as well as supporting phase-out activities.

E. DESCRIBE, DESCRIBE THE BUDGETED M & E PLAN

Follow-up and monitoring will be based on various levels of review, quality control and feedback. Globally, follow-up and monitoring will be carried out by UNIDO through annual country visits. The Inter-Institutional Technical Committee, including also the main actors, will meet annually in order to: (a) review the annual work plan, (b) assess progress against the M&E objectives indicated in the Project Scorecard, (c) review intermediate and final reports, as well as (d) assess any gaps or weaknesses, and subsequently take appropriate adaptive decisions.

The work plan for the second year will be based on the results obtained during the first year, including associated budget allocations, in accordance with GEF, UNIDO rules and guidelines and GEF Council documents, namely GEF/C.39.09, GEF/C.39.03/Inf.3, GEF/C.50/08/Rev.01 and GEF/C.52/Inf.06/Rev.01.

The UNIDO office in Nicaragua will attend and participate in monitoring and evaluation visits as required. The final evaluation, which will be carried out by an independent evaluator, will be organized by the UNIDO project manager with the support of the UNIDO Independent Evaluation Office, and submitted to the donor within 90 days after the end of the project.

M&E Programme: The main project executing partners (UNITAR, MARENA, MEM, MINSA and CNRCST) will be responsible for the day-to-day management and implementation of the project, reporting to UNIDO on a biannual basis. The progress of the activities and outputs in relation to their respective goals and desired outcomes will be assessed semi-annually by the implementing partners through the means of verification and impact indicators contained in the Project Results Framework (cf. annex C).

Financial monitoring: All project costs will be accounted for and documented. Financial reports from the executing entity will be required in accordance with UNIDO's standard accounting procedures. A final evaluation will be submitted to the GEF within 90 days of project completion.

In accordance with the GEF and UNIDO monitoring and evaluation policy, monitoring studies (such as National Portfolio of Evaluations or thematic evaluations) may be initiated and conducted. All project partners and contractors are required to (a) make available studies, reports and other documentation related to the project and (b) facilitate interviews with staff involved in project activities.

Legal context clause: This project is governed by the provisions of the Basic Standard Cooperation Agreement between the Government of Nicaragua and UNIDO, signed on 11 October 2002 and entered into force on 3 January 2008.

Table referring to M&E activities

M&E Activities	Duración (Months)	Budget (USD)	
		Grant	In kind
Report on the project inception meeting*	Within the first 3 months after the initiation of the project	0	0
Project revised by the NSC by the end of the year*	12 months	0	0
Project revised by the NSC by the end of the year*	24 Months	0	0
Final Evaluation	At project closure	25,000	0
Total Cost M&E		25,000	0
*Financing covered by the PMC			

F. EXPLAIN THE DEVIATIONS FROM TYPICAL COST RANGES (WHERE APPLICABLE)

NOT APPLICABLE

Part III: Approval/Endorsement By GEF Operational Focal Point(S) And GEF Agency(ies)**A. Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):**

Focal Point Name	Focal Point Title	Ministry	Signed Date
Javier Gutierrez Ramirez	Vice Minister	Ministry of Environment and Natural Resources	2/14/2019

B. Convention Participation

Convention	Date of Ratification/Accession	National Focal Point
MCM (Mercury)	10/29/2014	Fanny Sumaya Castillo Lara

ANNEX A: Project Budget Table

Please attach a project budget table.