



GEF GOLD+: Advancing formalization and mercury-free gold in Ecuador

Review CEO Endorsement and Make a recommendation

Basic project information

GEF ID

10835

Countries

Ecuador

Project Name

GEF GOLD+: Advancing formalization and mercury-free gold in Ecuador

Agencies

UNDP

Date received by PM

6/13/2022

Review completed by PM

10/4/2022

Program Manager

Evelyn Swain

Focal Area

Chemicals and Waste

Project Type

PIF

CEO Endorsement

Part I ? Project Information

Focal area elements

1. Does the project remain aligned with the relevant GEF focal area elements as presented in PIF (as indicated in table A)?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Project description summary

2. Is the project structure/design appropriate to achieve the expected outcomes and outputs as in Table B and described in the project document?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

3. If this is a non-grant instrument, has a reflow calendar been presented in Annex D?

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Co-financing

4. Are the confirmed expected amounts, sources and types of co-financing adequately documented, with supporting evidence and a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized, and a description

of any major changes from PIF, consistent with the requirements of the Co-Financing Policy and Guidelines?

Secretariat Comment at CEO Endorsement Request

Agency of Regulation and Control of Non Renewable Natural Resources (ARC) is listed as as GEF Agency. This should be corrected.

ES, 8/1/22: Corrected. Comment cleared.

Agency Response

UNDP Response 27 July 2022: Thank you. Corrected

GEF Resource Availability

5. Is the financing presented in Table D adequate and does the project demonstrate a cost-effective approach to meet the project objectives?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

Project Preparation Grant

6. Is the status and utilization of the PPG reported in Annex C in the document?

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response

Core indicators

7. Are there changes/adjustments made in the core indicator targets indicated in Table E? Do they remain realistic?

Secretariat Comment at CEO Endorsement Request

Please list an co-benefits in addition to mercury benefits, such as climate or landscapes improved.

ES, 8/1/22: The land benefits are still missing from core indicator 4 in the portal.

ES, 8/2/22: Comment cleared.

Agency Response

UNDP Response: Included into the Core Indicators at the bottom of the section ("Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided"). In addition see para. 169 of CEO Endorsement for reporting purposes.

Therefore, environmental co-benefits calculated at the CEO endorsement stage include **222,693 hectares**. The JA approach under this FSP considers total surface area of Cantons (municipalities) where Tier 1 and 2 pilot sites belong. This is a condition of the to make operational the Jurisdictional Approach under this FSP.

The project will also provide **narrative reporting quarterly** to the global project on key activities and areas of progress toward achieving the program and project-specific indicators, using a template provided by Global Programme.

Part II ? Project Justification

1. Is there a sufficient elaboration on how the global environmental/adaptation problems, including the root causes and barriers, are going to be addressed?

Secretariat Comment at CEO Endorsement Request

Yes, the problem is well elaborated, including the impacts of COVID-19 on supply chains.

Agency Response

2. Is there an elaboration on how the baseline scenario or any associated baseline projects were derived?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

3. Is the proposed alternative scenario as described in PIF/PFD sound and adequate? Is there sufficient clarity on the expected outcomes and components of the project and a description on the project is aiming to achieve them?

Secretariat Comment at PIF/Work Program Inclusion

Yes.

Agency Response

4. Is there further elaboration on how the project is aligned with focal area/impact program strategies?

Secretariat Comment at CEO Endorsement Request

Yes. In particular this project will expand on previously approved GEF projects for the sector, including the NAP and initial work in ASGM.

Agency Response

5. Is the incremental reasoning, contribution from the baseline, and co-financing clearly elaborated?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

6. Is there further and better elaboration on the project's expected contribution to global environmental benefits or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

The GEB section includes land benefits which are not included in the core indicator section. Please add these co-benefits in the indicator section.

ES- 8/1/22: See comment above.

ES, 8/2/22: Comment cleared.

Agency Response

UNDP Response: Included into the Core Indicators at the bottom of the section ("Provide additional explanation on targets, other methodologies used, and other focal area specifics (i.e., Aichi targets in BD) including justification where core indicator targets are not provided"). In addition see para. 169 of CEO Endorsement for reporting purposes.

Therefore, environmental co-benefits calculated at the CEO endorsement stage include **222,693 hectares**. The JA approach under this FSP considers total surface area of Cantons (municipalities) where Tier 1 and 2 pilot sites belong. This is a condition of the to make operational the Jurisdictional Approach under this FSP.

The project will also provide **narrative reporting quarterly** to the global project on key activities and areas of progress toward achieving the program and project-specific indicators, using a template provided by Global Programme.

7. Is there further and better elaboration to show that the project is innovative and sustainable including the potential for scaling up?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Project Map and Coordinates

Is there an accurate and confirmed geo-referenced information where the project intervention will take place?

Secretariat Comment at CEO Endorsement Request

Please add the geo references to the portal, not just the prodoc.

ES-8/1/22 Included. Comment cleared.

Agency Response

UNDP Response 27 July 2022: PRODOC Annex 3 included on section 1b. Project Map and Coordinates and ANNEX D: Project Map(s) and Coordinates of the GEF Portal

Child Project

If this is a child project, is there an adequate reflection of how it contributes to the overall program impact?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Stakeholders

**Does the project include detailed report on stakeholders engaged during the design phase?
Is there an adequate stakeholder engagement plan or equivalent documentation for the
implementation phase, with information on Stakeholders who will be engaged, the means of
engagement, and dissemination of information?**

Secretariat Comment at CEO Endorsement Request

Agency Response

Gender Equality and Women's Empowerment

**Has the gender analysis been completed? Did the gender analysis identify any gender
differences, gaps or opportunities linked to project/program objectives and activities? If so,
does the project/program include gender-responsive activities, gender-sensitive indicators
and expected results?**

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Private Sector Engagement

**If there is a private sector engagement, is there an elaboration of its role as a financier
and/or as a stakeholder?**

Secretariat Comment at CEO Endorsement Request

Yes, private sector is a key partner.

Agency Response

Risks to Achieving Project Objectives

Has the project elaborated on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved? Were there proposed measures that address these risks at the time of project implementation?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Coordination

Is the institutional arrangement for project implementation fully described? Is there an elaboration on possible coordination with relevant GEF-financed projects and other bilateral/multilateral initiatives in the project area?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Consistency with National Priorities

Has the project described the alignment of the project with identified national strategies and plans or reports and assessments under the relevant conventions?

Secretariat Comment at CEO Endorsement Request

Yes, this project is consistent with the NAP and other national priorities.

Agency Response

Knowledge Management

Is the proposed Knowledge Management Approach for the project adequately elaborated with a timeline and a set of deliverables?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Monitoring and Evaluation

Does the project include a budgeted M&E Plan that monitors and measures results with indicators and targets?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Benefits

Are the socioeconomic benefits at the national and local levels sufficiently described resulting from the project? Is there an elaboration on how these benefits translate in supporting the achievement of GEBs or adaptation benefits?

Secretariat Comment at CEO Endorsement Request

Yes.

Agency Response

Annexes

Are all the required annexes attached and adequately responded to?

Secretariat Comment at CEO Endorsement Request

STAP comments are missing.

ES, 8/1/22: comment cleared.

Agency Response

UNDP Response 27 July 2022: planetGOLD+ Ecuador child project (included on GEFID: 10802 - Global Opportunities for Long-term Development of artisanal and small-scale gold mining ASGM) Sector Plus - GEF GOLD + (addendum)) did not receive any comments from STAP members.

Project Results Framework

Secretariat Comment at CEO Endorsement Request Yes.

Agency Response
GEF Secretariat comments

Secretariat Comment at CEO Endorsement Request

ES, 8/16/22: PPO has the following comments:

Child Project to be returned to the Agency due to:

1. On project information: is the project expected to start implementation in June 2023? If the duration is expected to be 60months please request the agency to correct the completion date for 05/31/2028
2. On execution arrangement: per the budget table provided in Annex E, it would seem that UNDP will be providing a large number of executing activities. Kindly note I was not able to find a support letter from the OFP. As per guidelines a support letter from OFP is required when implementing agency is providing executing arrangements ? also the GPU Manager approval in Portal?s comments section is required.
3. On M&E: please request the agency to include the M&E budget in section 9
4. On the Utilization of PPG: please request the agency to provide a breakdown of activities funded through the PPG instead of providing a line with the lumpsum.
5. On Core Indicators: Please request agency to current the inconsistency in reporting the target for core indicator 11 in annex A.
6. On Co-financing: IIGE, ESPOL & Duke University: change the category from ?Beneficiaries? to ?Other?.

Agency Response

21 August 2022

1. On project information: is the project expected to start implementation in June 2023? If the duration is expected to be 60months please request the agency to correct the completion date for 05/31/2028

UNDP response 21 August 2022: Thank you. Expected completion date modified to 05/31/2028 on GEF Portal.

2. On execution arrangement: per the budget table provided in Annex E, it would seem that UNDP will be providing a large number of executing activities. Kindly note I was not able to find a support letter from the OFP. As per guidelines a support letter from OFP is required when implementing agency is providing executing arrangements ? also the GPU Manager approval in Portal?s comments section is required.

UNDP response 21 August 2022: Supporting letter from OFP is included in the attachment section. Kind request to refer to file: ?PIMS_6653_GEFID_10835_PlanetGOLD2_Child_Ecuador_Annex2_OFP_Service_Request_Letter_to_UNDP? uploaded into the GEF portal on 6/13/2022 6:27 PM

3. On M&E: please request the agency to include the M&E budget in section 9

UNDP response 21 August 2022: Thank you. included

4. On the Utilization of PPG: please request the agency to provide a breakdown of activities funded through the PPG instead of providing a line with the lumpsum.

UNDP response 21 August 2022: Thank you. included

5. On Core Indicators: Please request agency to current the inconsistency in reporting the target for core indicator 11 in annex A.

UNDP response 21 August 2022: thank you. Updated.

6. On Co-financing: IIGE, ESPOL & Duke University: change the category from ?Beneficiaries? to ?Other?.

UNDP response 21 August 2022: thank you. Updated.

Council comments

Secretariat Comment at CEO Endorsement Request Council comments were responded to.

Agency Response

STAP comments

Secretariat Comment at CEO Endorsement Request

Please respond to any relevant Council comments.

ES, 8/1/22: Comment cleared.

Agency Response

UNDP Response 27 July 2022: planetGOLD+ Ecuador child project (included on GEFID: 10802 - Global Opportunities for Long-term Development of artisanal and small-scale gold mining ASGM) Sector Plus - GEF GOLD + (addendum)) did not receive any comments from STAP members. GEF & Council comments included on ANNEX B.

Convention Secretariat comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Other Agencies comments

Secretariat Comment at CEO Endorsement Request

Agency Response

CSOs comments

Secretariat Comment at CEO Endorsement Request

Agency Response

Status of PPG utilization

Secretariat Comment at CEO Endorsement Request PPG utilization was provided.

Agency Response

Project maps and coordinates

Secretariat Comment at CEO Endorsement Request

Please include the maps and coordinates in the portal.

ES, 8/1/22: Comment cleared.

Agency Response

UNDP Response 27 July 2022: PRODOC Annex 3 included on section 1b. Project Map and Coordinates and ANNEX D: Project Map(s) and Coordinates of the GEF Portal

Does the termsheet in Annex F provide finalized financial terms and conditions? Does the termsheet and financial structure address concerns raised at PIF stage and that were pending to be resolved ahead of CEO endorsement? (For NGI Only)

Secretariat Comment at CEO Endorsement Request

NA

Agency Response

Do the Reflow Table Annex G and the Trustee Excel Sheet for reflows provide accurate reflow expectations of the project submitted? Assumptions for Reflows can be submitted to explain expected reflows. (For NGI Only)

Secretariat Comment at CEO Endorsement Request NA

Agency Response

Did the agency Annex H provided with information to assess the Agency Capacity to generate and manage reflows? (For NGI Only)

Secretariat Comment at CEO Endorsement Request NA

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is CEO endorsement recommended? (applies only to projects and child projects)

Secretariat Comment at CEO Endorsement Request

Not at this time. Some comments remain.

ES, 8/1/22: Not at this time. Core indicators still need to be addressed.

ES, 8/16/ 22: PPO provided comments. Please see the GEF Sec comments above.

ES, 9/27/22: PPO comment on PPG needs to be addressed. Please present detailed PPG utilization. Also please make sure that the ProDoc is listed as public.

ES, 10/6/22: The PPG formatting needs to be fixed.

ES, 10/11/22: CEO Endorsement is recommended.

Review Dates

	Secretariat Comment at CEO Endorsement	Response to Secretariat comments
First Review	7/27/2022	
Additional Review (as necessary)	8/1/2022	
Additional Review (as necessary)	8/2/2022	
Additional Review (as necessary)	8/16/2022	
Additional Review (as necessary)	10/6/2022	

CEO Recommendation**Brief reasoning for CEO Recommendations**

This project supports Ecuador joining the planetGOLD program umbrella. The objective of the program is to reduce the use of mercury in the ASGM sector in the participating countries through a holistic, multisectoral integrated formalization approach, and increasing access to finance leading to adoption of sustainable mercury free technologies and access to traceable gold supply chains. The planetGOLD program works in partnership with governments, the private sector, and ASGM communities in countries to significantly improve the production practices and work environment of artisanal and small-scale miners. By working to close the financing gap, supporting formalization, raising awareness, and connecting mining communities with mercury-free technology and formal markets, the program aims to demonstrate a pathway to cleaner and more efficient small-scale gold mining practices that benefit everyone, from mine to market. GEBs from the project will contribute to 30 Metric Tons of mercury reduced.